

HILLSBOROUGH COUNTY

NEW HAMPSHIRE

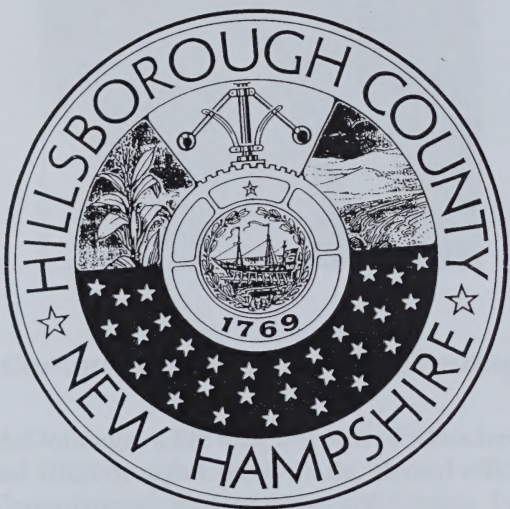


2002 ANNUAL REPORT

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HILLSBOROUGH COUNTY

NEW HAMPSHIRE



2002 ANNUAL REPORT

Dedicated In Memory



Commissioner John J. McDonough

John J. McDonough, a life long resident of Manchester, represented Hillsborough County in the elected offices of County Commissioner for four terms and County Treasurer for four terms. He had been active in Manchester politics for over four decades having been elected Alderman for two different City wards, highway commissioner, and most recently, as an at-large School Board member for the Manchester School District. A 25-plus year veteran teacher, his use of eloquence and wit was only surpassed by his honesty and integrity towards his constituents. The dedication and commitment that he gave to the residents and employees of Hillsborough County will go unparalleled.

Dedicated In Memory

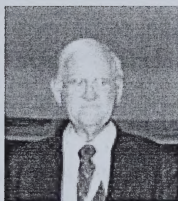


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Representative Francis L. Riley

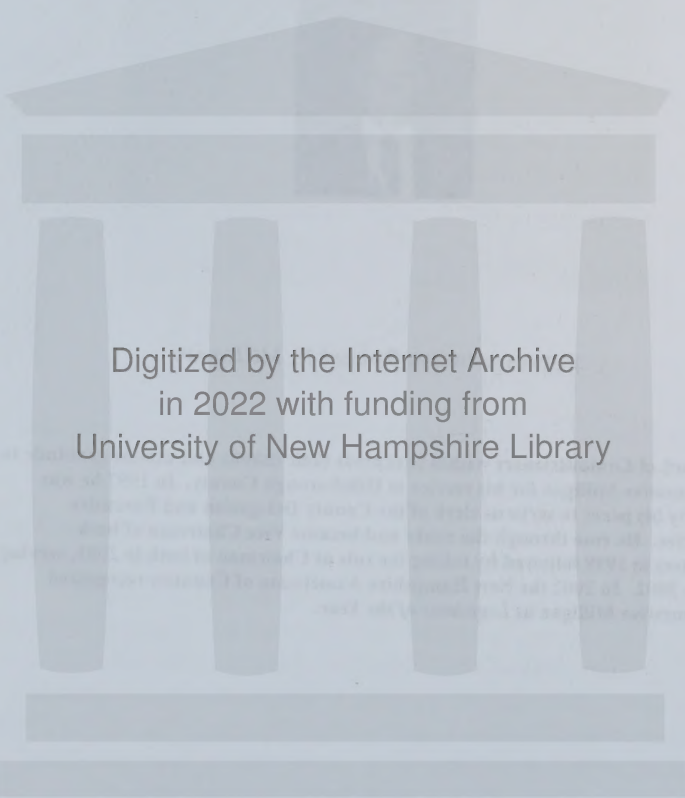
Francis Riley served Hillsborough County as a Representative for six terms serving on numerous committees including Finance, Appropriations, Public Protection and Veterans Affairs. As a Representative she worked hard not only on State Government matters but also made immeasurable contributions to County Government. She served on the Hillsborough County Executive Committee for six years serving as Chairman and Vice-Chairman of the County Delegation and Executive Committee. She was the founder of Legislators for Limited Spending, served on the Legislative Exchange Council, and was a member of Sweet Adeline's for many years. Representative Riley was a veteran High School Math Teacher and an accomplished private pilot. Her friends, colleagues, and constituents alike will miss her dedication and commitment to the citizens and employees of Hillsborough County and to county government.

In Appreciation



Representative Robert H. Milligan

The Board of Commissioners wishes to express their thanks and utmost gratitude to Representative Milligan for his service to Hillsborough County. In 1997 he was elected by his peers to serve as clerk of the County Delegation and Executive Committee. He rose through the ranks and became Vice Chairman of both committees in 1999 followed by taking the role of Chairman of both in 2001, serving through 2002. In 2002 the New Hampshire Association of Counties recognized Representative Milligan as *Legislator of the Year*.



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HILLSBOROUGH COUNTY 2002 ANNUAL REPORT

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HILLSBOROUGH COUNTY OFFICERS

COMMISSIONERS

Rhona M. Charbonneau, Chairman

Hudson, NH

Carol H. Holden, Vice Chairman

Amherst, NH

Toni Pappas, Clerk

Manchester, NH

TREASURER

David Fredette

Nashua, NH

COUNTY ATTORNEY

Peter McDonough, Esq.

Manchester, NH

REGISTRAR OF DEEDS

Judith A. MacDonald

Merrimack, NH

SHERIFF

Walter A. Morse

Hillsborough, NH

JUDGE OF PROBATE

Raymond Cloutier

Goffstown, NH

REGISTER OF PROBATE

Robert Rivard

Manchester, NH

CLERK OF SUPERIOR COURT

John Safford

Manchester, NH

Marshall Buttrick

Nashua, NH

HILLSBOROUGH COUNTY LEGISLATIVE DELEGATION

2001-2002 SESSION

DISTRICT #1 (Antrim, Deering, Windsor)

Kimberley Dionne, 153 Clinton Road, Antrim, NH 03440

r

DISTRICT #2 (Hillsborough)

Larry G. Elliott PO Box 1512, Hillsborough NH 03244

r

DISTRICT #3 (Antrim, Deering, Hillsborough, Windsor)

Maxwell D. Sargent, PO Box 948, Hillsborough, NH 03244-0948

r

DISTRICT #4 (Francestown, New Boston)

Pierre W. Bruno, 603 Lyndeboro Road, New Boston, NH 03070

r

DISTRICT #5 (Weare)

Neal M. Kurk, 285 Mt. Dearborn Road, Weare, NH 03281-5407

r

Gary S. Hopper, 107 Buxton School Road, Weare, NH 03281

r

DISTRICT #6 (Francestown, New Boston, Weare)

O. Alan Thulander, Box 240, Francestown, NH 03043

r

DISTRICT #7 (Goffstown)

Lawrence A. Emerton, Sr. 15 Medford Farms, Goffstown, NH 03045-6203

r

Richard E. Fletcher 101 Elm Street Goffstown, NH 03045

r

Randolph Holden 39 High St. Goffstown, NH 03045

r

Robert Wheeler, 7 Regina Drive, Goffstown NH 03045

r

Karen K. McRae, 469 Black Brook Road, Goffstown, NH 03045-2931

r

DISTRICT #8 (Peterborough, Sharon)

Merton S. Dyer, PO Box 3, West Peterborough, NH 03468-0003

r

Andrew R. Peterson, 63 Pine Street, Peterborough, NH 03458

DISTRICT #9 (Bennington, Hancock)

Edward R. Leach PO Box 267, Hancock NH 03449

r

DISTRICT #10 (Greenfield, Lyndeborough, Mont Vernon)

Linda T. Foster, 3 Blood Road, Mont Vernon, NH 03057-1412

d&r

DISTRICT #11 (Wilton)

Harold Melcher, 732 Abbot Hill Road, Wilton, NH 03086

d

DISTRICT #12 (Bennington, Greenfield, Hancock, Lyndeborough, Mont Vernon, Wilton)

Pamela D. Coughlin 66 Tater Street, Mont Vernon, NH 03057

r

DISTRICT #13 (Milford)

Peter E. Bragdon, 22 Quarry Circle, and Milford, NH 03055

r

Tim O'Connell 483 Federal Hill Rd. Milford, NH 03055

r

Keith R. Herman, 387 Osgood Rd., Milford, NH 03055

r

Peter R. Leishman, 97 McGettigan Rd. Milford, NH 03055

r

DISTRICT #14 (AMHERST)

Paul D. Spiess, 9 Roberts Road, Amherst NH 03031 r
Cynthia J. Dokmo, 23 Lord Jeffrey Drive, Amherst, NH 03031 r
Robert H. Rowe, P.O. Box 1117, 18 Jones Road, Amherst, NH 03031 r

DISTRICT #15 (Bedford)

Edward P. Moran Jr. 19 Ministerial Road, Bedford, NH 03110-5724 r
Kathleen M. Floro, 95 Hitching Post Land, Bedford, NH 03110 r
Maurice E. Goulet, 48 Ministerial Branch, Bedford, NH 03110-5724 r
John A. Graham, 8 Ministerial Circle, Bedford NH 03110 r

DISTRICT #16 (Amherst, Bedford)

Peter Bergin, P.O. Box 105, Amherst, NH 03031-3315 r

DISTRICT #17 (Litchfield)

Leon Calawa, Jr., 324 Chas. Bancroft Hwy. Litchfield, NH 03051-9800 r
Loren J. Jean, 25 Chas. Bancroft Hwy, Litchfield, NH 03051-2601 r

DISTRICT #18 (Merrimack)

Peter L. Batula, 12 Paige Drive, Merrimack, NH 03054 r
Robert W. Brundige, 19 Level Street, Merrimack, NH 03054 r
Dennis H. Fields, PO Box 0370 Merrimack, NH 03054-0370 r
Robert J. L'Heureux, 94 Back River Road, Merrimack, NH 03054-2690 r
John Balcom 85 Pond View Drive, Merrimack, NH 03054 r
Chris Christensen 27 Greatstond Drive, Merrimack 03054 r
Charles Q. Hall, PO Box 802 Merrimack NH 03054 r
Robert H. Milligan, 42 Patten Road, Merrimack, NH 03054-3064 r

DISTRICT #19 (New Ipswich, Temple)

Donald Carlson, P.O. Box 41, New Ipswich, NH 03071-0041 r

DISTRICT #20 (Brookline, Greenville, Mason)

Thomas I. Arnold, Jr., 10 Milford Street, Brookline, NH 03033-2446 r
Betty B. Hall, PO Box 309, Brookline, NH 03033-0309 d

DISTRICT #21 (Brookline, Greenville, Mason, New Ipswich, Temple)

Richard S. Eaton, PO Box 263, Greenville, NH 03048 r

DISTRICT #22 (Hollis)

Richard Drisko, PO Box 671, Hollis NH 03049 r
Carolyn M. Gargas PO Box 6 Hollis NH 03049 r

DISTRICT #23 (Hudson)

David J. Alukonis, 121 Central Street, Hudson, NH 03051-4620 r
Lars T. Christiansen, PO Box 171, Hudson, NH 03051 r
Robert E. Clegg, Jr. 39 Trigate Road, Hudson, NH 03051 r
Joan Tate, 104 Pelham Road, Hudson, NH 03051 r
Rudy Lessard, 115 Bush Hill Road, Hudson, NH 03051 r
David M. Bouchard 22 Tamarack St. Hudson, NH 03051 r

DISTRICT #24 (Pelham)

Jean-Guy J. Bergeron, 184 Marsh Road, Pelham, NH r
Harold V. Lynde, 114 Jeremy Hill Road, Pelham, NH 03076 d
Christopher Seibel, 5 Spring St. Pelham, NH 03076 r

DISTRICT #25 (Hudson, Pelham)

Vacant

DISTRICT #26 (Nashua Ward 1)

Paul C. Bellavance, 3 Denise Street Nashua, NH 03063 d

Ruth Ginsburg, 6 Dover Street, Nashua, NH 03063 d

Claire B. McHugh, 61 Dublin Avenue, Nashua, NH 03063 r

DISTRICT #27 (Nashua Ward 2)

Richard Larose, 36 Charlotte Avenue, Nashua, NH 03060 r

Robert S. Mercer, 11 Dinsmore Street, Nashua, NH 03060-1850 r

Michael A. Balboni, 26 Kessler Farm Drive #451, Nashua, NH 03063 r

DISTRICT #28 (Nashua Ward 3)

Nancy M. Ford 56 Raymond Street Nashua, NH 03060 r

Robert A. Daigle, 133 Colgate Road, Nashua, NH 03060 d

Lori Movsesian 15 Berkley St. Nashua, NH 03064 d

DISTRICT #29 (Nashua Ward 4)

Mary Gorman 44 1/2 Amherst Street, Nashua, NH 03060 d

David E. Cote, 96 West Hollis Street, Nashua, NH 03060-3146 d

David J. Gleneck, 34 Tampa St. Nashua, NH 03064 r

DISTRICT #30 (Nashua Ward 5)

Harvey Keye 19 Radcliffe Drive, Nashua, NH 03062 d

Nelson Allan, 107 Shore Drive, Nashua, NH 03062 r

Mary L. Andosca, 109 Shore Drive, Nashua, NH 03062 d

DISTRICT #31 (Nashua Ward 6)

Jane A. Clemons, 177 Kinsley Street, Nashua, NH 03060-3649 d

Roland J. Lefebvre, 19 Dane Street, Nashua, NH 03060-5835 d

Cynthia P. Sweeney 14 Fowell Avenue, Nashua, NH 03060 d

DISTRICT #32 (Nashua Ward 7)

Lori Cardin, 76 Marshall St. Nashua NH d

Peter R. Cote 68 Bowers Street, Nashua, NH 03060 d

Claudette R. Jean, 52 Burke Street, Nashua, NH 03060-4743 d

DISTRICT #33 (Nashua Ward 8)

Joan H. Schulze 11 Spencer Drive, Nashua, NH 03062 d

Betty Lasky 15 MaseField Road, Nashua, NH 03062 d

Christine M. Konys, 10 Decatur Drive, Nashua, NH 03062-4525 d

DISTRICT #34 (Nashua Ward 9)

Mary Ellen Martin, 5 Lone Star Drive, Nashua, NH 03062-3411 d

Lawrence A. Artz, 7 Fountain Lane, Nashua, NH 03062 r

Christine Furman, 14 Middle Dunstable Rd., Nashua, NH 03062 r

DISTRICT #35 (Nashua Wards 1, 2, 3, 5)

Paul G. LaFlamme, Jr. 39 Marie Ave. Nashua, NH 03063 r

DISTRICT #36 (Nashua Wards 4, 6, 7, 8, 9)

A. Theresa Drabinowicz, 56A Temple Street, Nashua, NH 03060-3429 d

DISTRICT #37 (Manchester Ward 1)

John P. Kacavas 1788 River Road, Manchester, NH 03104

Jeff Goley 1683 N. River Road, Manchester, NH 03104

Sandra Reeves 754 Straw Hill, Manchester, NH 03101

d
d
r

DISTRICT #38 (Manchester Ward 2)

William Golding, 351 Ash St. Manchester, NH 03104

James W. Craig 233 Linden Street, Manchester, NH 03104

Saggy A. Tahir, 1315 Old Mammoth Road, Manchester NH 03104

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d
r

DISTRICT #39 (Manchester Ward 3)

William Clayton 91 Harrison St. Manchester, NH 03104

Frank C. Guinta 96 Hollis St. Manchester, NH 03101

Peter M. Sullivan, PO Box 1412, Manchester NH 03105

d
r
d

DISTRICT #40 (Manchester Ward 4)

Lionel W. Johnson, 276 Central Street, Manchester, NH 03103-4744

Kathleen Souza, 628 Belmont St. Manchester, NH 03104

Leo P. Pepino, 73 Walnut Street, Manchester, NH 03104-4848

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DISTRICT #41 (Manchester Ward 5)

Alice McDonough-Wallace 233 Tarrytown Road Apt 28, Manchester, NH

Eric Palangas 626 Lake Ave. Manchester, NH 03103

Greg Salts, 72 Kenney St. Manchester, NH

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DISTRICT #42 (Manchester Ward 6)

Benjamin C. Baroody, 1181 Bridge Street, Manchester, NH 03104-5703

Michael Bouldwin 149 Morning Glory Drive, Manchester, NH 03109

Robert Murphy, 331 Medford St., Manchester, NH 03109

d
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DISTRICT #43 (Manchester Ward 7)

Carol Ann Williams 127 Prout Ave. #1 Manchester, NH 03103

Paul J. Dwyer, Sr. 113 Hall Street, Manchester, NH 03103-4547

Robert J. Haley, 147 Beech Street, Manchester, NH 03101

d
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DISTRICT #44 (Manchester Ward 8)

Raymond Buckley, 24 Gabrielle St., Manchester, NH 03103-7031

David Dionne, 317 Charlotte St. Manchester NH 03103

Steve Vaillancourt, 161 Faith Lane, Manchester, NH 03103-7031

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DISTRICT #45 (Manchester Ward 9)

William J. Desrosiers, 125 Overland Street, Manchester, NH 03103-6624

Barbara Shaw, 45 Randall St. Manchester, NH 03103

Andre A. Martel 237 Riverdale Avenue, Manchester, NH 03103

r
d
r

DISTRICT #46 (Manchester Ward 10)

John M. White 81 Alpine Street, Manchester, NH 03102

Irene M. Messier, 40 New Gate Circle, Manchester, NH 03102

Gary C. Greenberg 145 McQuestin St. Manchester, NH 03102

d
r
r

DISTRICT #47 (Manchester Ward 11)

Vacant

Nicholas Panagopoulos 40 Joliette St. A2B Manchester, NH 03102

d

Vacant

DISTRICT #48 (Manchester Ward 12)

Robert Chabot, 73 Joseph Street, Manchester, NH 03102-2312

r

Carlos E. Gonzalez, 1826 Front St. Apt. 1A, Manchester, NH 03102

r

Marc Pappas, 723 Coolidge Ave. Manchester, NH 03102

r

Hillsborough County Delegation Meeting
Hillsborough County Superior Courthouse
Manchester, NH
August 23, 2001

Chairman Milligan called the meeting to order at 7:30 PM and requested Rep. Carol Williams to lead the pledge to the flag.

Chairman Milligan declared a quorum present.

Consistent with RSA 273-A, a motion was made by Rep. Kurk, second by Rep. Goulet to approve the Collective Bargaining Agreement between the Hillsborough County Nursing Home and AFSCME Local 2715 with a term beginning July 1, 2001 through June 30, 2002. On a voice vote motion was unanimously approved.

Chairman Milligan accepted a motion that was sufficiently seconded to adjourn at 7:35 PM.

Rep. Robert Mercer, Clerk
Hillsborough County Executive Committee

Date Approved: __09/28/01__

Hillsborough County Executive Committee
Public Hearing
Hillsborough County Superior Courthouse
Manchester, NH
August 23, 2001

Present: Members of the Executive Committee, Commissioner's Charbonneau, Holden, Pappas, Margaret Coughlin, Carolyn Kirby, and Marcia Rusch and approximately 40 members of the public

Chairman Milligan called the Public Hearing to order at 7:00 PM and Chairman Milligan stated the purpose of the meeting is to accept public comment on the proposed Collective Bargaining Agreement between Hillsborough County Nursing Home and Local AFSCME 2715.

Chairman Milligan stated at this time, we would accept public comment. Those wishing to speak were requested to fill out *pink cards* and return to the Clerk of the Delegation.

Chairman Milligan introduced Mr. Gary Wulf Chief Negotiator for Hillsborough County. Mr. Wulf gave a brief overview of the financial impact of the contract between Hillsborough County Nursing Home and Local AFSCME 2715.

There was no further public comment.

Chairman Milligan concluded the Public Hearing at 7:15 PM.

Rep. Robert Mercer, Clerk
Hillsborough County Executive Committee

Date Approved: __09/28/01__

Hillsborough County Legislative Delegation
Representatives Hall
Concord, NH
May 2, 2002

Chairman Milligan called the meeting to order at 4:15 PM and declared a quorum present.

Chairman Milligan stated that for the record, the maker of the motion should state their name and district. Chairman Milligan introduced the members of the Blue Ribbon Salary Committee. They are: Rep. Milligan, Rep. Reeves, Rep. Mercer, Rep. Thulander, Rep. LaRose, Rep. Melcher, Rep. Dwyer.

Motion by Rep. Thulander, second by Rep. Fields to approve the recommendation from the Executive Committee for County Elected Officials Salary, Benefits, and other Compensation pursuant to RSA 23:7. The County Convention must set the salaries bi-annually. The recommendations from the Executive Committee endorsed the findings and recommendation of the Blue Ribbon Salary Committee, which are as follows:

Proposed	Commissioners	Treasurer	County Atty *	Register Deeds *	Sheriff *
2003	15,000	3,000	71,200	49,000	47,850
2004	15,000	3,000	71,200	49,000	47,850

* Receive full time employee benefits package

In response to a question Rep. Thulander stated that the increases for the Elected Officials are set bi-annually. The Blue Ribbon Salary Committee looked at various aspects of the position during the deliberations. After lengthy discussion it was determined that the compensation should be based on the description of the elected office and not the individual who holds the position. In addition, Rep. Thulander stated the salaries should to be comparable to the other Elected Officials throughout the State. He explained that after much deliberation the Blue Ribbon Committee agreed upon a \$5,000 increase for the full time elected officials. In addition, it was also noted that the full-time elected officials would receive the same benefits as a full time County employee.

Motion by Rep. Bergin, second by Rep. McRae to amend the original motion to increase the Board of Commissioners salary by \$1,000 each, which would increase the annual salary to \$16,000 and to increase the County Treasurer salary by \$300, to \$3,300. In response to a question, Chairman Milligan stated that the motion to amend was divisible. Chairman Milligan reiterated the proposed amendment, which would be to increase the Board of Commissioners salary to \$16,000 per annum. On a voice vote motion fails. Chairman Milligan then called for a vote on the proposal to amend the salary of the County Treasurer to \$3,300. On a voice vote motion fails. Motion by Rep. L'Heureux, seconded by Rep. Balboni to accept the Board of Commissioners and Treasurer salary recommendations from the Blue Ribbon Salary Committee. On a voice vote motion adopted. The Board of Commissioners salary will be \$15,000 for the next bi-annum and the County Treasurer salary will be \$3,000.

Chairman Milligan reiterated the original motion to approve the Executive Committee and the Blue Ribbon Salary Committee's recommendation for elected officials. On a voice vote motion adopted 56-32.

There being no further business to come before the Delegation, a motion was made and sufficiently seconded and adopted the meeting adjourned at 4:50 PM.

Rep. Robert Mercer, Clerk
Hillsborough County Legislative Delegation

Date Approved: ____06/12/02__

**Hillsborough County Executive Committee
Public Hearing
Manchester Courthouse
June 11, 2002**

Present: Representatives: R. Milligan, R. Mercer, S. Reeves, T. Arnold, P. Bruno, R. Chabot, P. Cote, T. Drabinowicz, R. Fletcher, W. Golding, L. Johnson, H. Melcher, M. Pappas A. Thulander, R. Wheeler. Commissioner Holden, Pappas, Treasurer D. Fredette, Atty. P. McDonough, Registrar J. MacDonald, J. Hardy, B. Moorehead, D. Reidy, E.A. Robinson, G. Wenger, and M. Rusch. With approximately 10 members of the public present

Chairman Milligan called the Public Hearing to order at 7:00 PM and requested the Hillsborough County Treasurer, David Fredette, to lead the Pledge to the Flag. Rep. Milligan stated the purpose of the meeting is to:

- a. To accept public comment regarding the renovation of the Hillsborough County Complex.
- b. To accept public comment on the Hillsborough County Executive Committee proposed F/Y 2003 Budget Agreement.
- c. To accept public comment on the Sale of County Land in Goffstown, NH.

Those wishing to speak should fill out public comment cards and submit them to the Clerk, Rep. Robert Mercer.

Chairman Milligan introduced the Elected Officials and Department Heads from Hillsborough County.

Elected Officials:

Commissioner Holden	Vice Chairman
Commissioner Pappas	Clerk
Peter McDonough	County Attorney
Judith MacDonald	Registrar of Deeds

And sitting in for Sheriff Morse, is Capt. J. Hardy

Department Heads:

Mr. Bruce Moorehead	Nursing Home Administrator
Ms. Ellen Ann Robinson	Human Services Administrator
Mr. Dan Reidy	Cooperative Extension
Mr. Greg Wenger	County Administrator
Ms. Marcia Rusch	Delegation Coordinator

Introduction of Budget Subcommittee Chairman:

Rep. W. Golding (V. Chairman)	Subcommittee A	Nursing Home
Rep. Leon Calawa	Subcommittee B	Department of Corrections/ County Complex
Rep. Tom Arnold	Subcommittee C	Sheriff Department
Rep. Richard LaRose	Subcommittee D	Human Services/ Special Projects

Rep. Robert Milligan	Subcommittee E	Registry Deeds/Cooperative Extension Conservation District/County Convention
Rep. Alan Thulander	Subcommittee F	County Commissioners Human Resources County Debt/Manchester CH Revenue/Computers Contingency
Rep. Robert Mercer	Subcommittee G	County Attorney/Med. Ref. Law Library

Each of the Subcommittee Chairmen gave a synopsis of their subcommittee.

Chairman Milligan introduced and thanked the Executive Committee for their hard work during the budget process. He also spoke briefly regarding a central purchasing department.

There was no further public comment Chairman Milligan concluded the Public Hearing at 7:40 PM.

Date Approved: ____07/12/02__

Robert Mercer, Clerk

Hillsborough County Executive Committee

Hillsborough County Executive Committee
Public Hearing
Manchester Courthouse
June 13, 2002

Present: Representatives: Rep. R. Milligan, S. Reeves, R. Mercer, T. Arnold, P. Bruno, L. Calawa, R. Chabot, R. Clegg, P. Cote, T. Drabinowicz, L. Elliott, R. Fletcher, W. Golding, N. Kurk, R. LaRose, H. Melcher, A. Thulander, Also Present: Commissioner Charbonneau, Holden, Pappas, Peter McDonough, Sheriff Morse, J. Hardy, C. Kirby, B. Moorehead, J. O'Mara, D. Parnell, D. Reidy, E. A. Robinson, G. Wenger, R. Coburn, M. Rusch, Meghan Brady, M. Dolder and members of the public.

Chairman Milligan called the Public Hearing to order at 4:00 PM. Rep. Milligan stated the purpose of the meeting is to:

- a) To accept public comment regarding the proposal Collective Bargaining Agreement between ICWU Counsel Local #1046C Nursing Home Supervisors and Hillsborough County.

Those wishing to speak should fill out public comment cards and submit them to the Clerk, Rep. Robert Mercer.

Chairman Milligan introduced Mr. Gary Wulf, Chief Negotiator for Hillsborough County. Mr. Wulf stated that this is the first contract for the Nursing Home Supervisors from the Chemical Workers Union. Negotiations have been ongoing for 2-½ year's; agreement was reached in January of 2002. The funding required for this contract \$132,462 and that is for 7/1/02 – 6/30/03. Some of the highlights of the settlement include:

- One year agreement 7/1/02-6/30/03 with no retroactivity *
Bonus of \$2000 on 7/1/02
- 2% on 7/1/02 and 1% on 1/1/03
- Employee health insurance payments increase to 20% for premium
- One dollar meal subsidy would begin 7/1/02
- Upgrades of nurses and therapists (2grades) address both internal and market equity concerns
- Bi-weekly pay periods possible
- Increased administrative discretion in awarding promotional increases and hiring rates
- Shift and week-end differential increased

Mr. Wulf stated that the Board of Commissioners approved of the Contract.

Public Hearing adjourned at 4:15 PM.

Robert Mercer, Clerk
Hillsborough County Executive Committee

Date Approved: ____09/27/02__

**Hillsborough County Delegation Meeting
Manchester Superior Courthouse
June 13, 2002**

PRESENT: Rep. R. Milligan, S. Reeves, R. Mercer, T. Arnold, P. Bruno, L. Calawa, R. Chabot, R. Clegg, P. Cote, T. Drabinowicz, L. Elliott, R. Fletcher, W. Golding, N. Kurk, R. LaRose, H. Melcher, A. Thulander, L. Emerton, R. Wheeler, K. McRae, M. Dyer, L. Foster, P. Bragdon, T. O'Connell, M. Goulet, J. Graham, R. Brundige, D. Fields, J. Balcom, R. L'Heureux B. Hall, R. Eaton, R. Drisko, C. Gargas, L. Christiansen, D. Bouchard, J. Bergeron, P. Belevance, R. Ginsberg, M. Balboni, N. Ford, R. Daigle, D. Cote, M. Gorman, N. Allan, R. Lefebvre, M. E. Martin, C. Furman, J. Kacavas, S. Tahir, F. Guinta, K. Souza, A. Wallace, B. Baroody, D. Dionne, R. Buckley, S. Vaillancourt, B. Shaw, I. Messier, N. Panagopoulos, M. Pappas. Also Present: Commissioner Charbonneau, Holden, Pappas, Peter McDonough, Sheriff Morse, J. Hardy, C. Kirby, B. Moorehead, J. O'Mara, D. Parnell, D. Reidy, E. A. Robinson, G. Wenger, B. Coburn, M. Rusch, Meghan Brady, M. Dolder

Chairman Milligan called the meeting to order at 5:30 PM. Chairman Milligan requested Rep. Mercer, Clerk of the Delegation to call the roll. Chairman Milligan declared a quorum present with 61 members in attendance. Chairman Milligan noted that this was the fourth year that a quorum was not present at the designated time, three individuals made phone calls to local Representative in order to attain a quorum for today's Delegation Meeting.

Chairman recognized Representative Arnold for a motion.

Motion by Rep. Arnold District #20, seconded by Rep. Wheeler District # 7, to authorize the Hillsborough County Board of Commissioners to accept any funds made available to Hillsborough County during F/Y 2003 and to deposit same in the general fund or any fund otherwise designated by the providers terms. On a voice vote motion adopted.

Motion by Rep. Golding District #38, seconded by Rep. Goulet District #15, pursuant to RSA 273-A to approve the proposed Collective Bargaining Agreement between International Chemical Workers Union (ICWU) Local #1046C Nursing Home Supervisors and Hillsborough County. On a voice vote motion adopted.

Motion by Rep. Elliott District #2, seconded by Rep. Drabinowicz District #36, to approve an increase of the per diem for members of the County Delegation from \$15.00 per day to \$25.00 per day. In response to a question Rep. Elliott stated that this is not an increase it is going back to the original per diem rate of approximately 10 years ago. He also noted that it might help with getting a quorum to meetings.

Rep. Graham, District #15, spoke against the motion stating that taxes are high enough and he does not feel the increase in per diem would make a big difference.

Rep. McDonough, District #41, spoke in favor of the motion, stating that she would be more apt to come to meetings for a \$25.00 per diem.

Rep. L'Heureux, District #18 spoke against the motion stating that this could be a political ploy used against the incumbents that will be running for re-election.

Rep. Furman District #34 spoke against the motion stating it should not matter what the per diem is when an individual runs for office, attending Delegation Meetings is part of the responsibility and it should be taken seriously.

In response to a question Rep. Elliott District #2 stated the increase in per diem would cost the County approximately \$9,000 if there is perfect attendance at the Delegation Meetings.

Chairman Milligan stated, "Since there are no further questions I will call for a vote." On a show of hands, motion fails, 28-31. In response to a query, Chairman Milligan stated that the total count was 59; he noted that someone must have abstained from voting for some reason or gone to the restroom.

Motion by Rep. Calawa District #18, second by Rep. Fields District #18, to approve pursuant to RSA 24:13 a proposal from the Board of Commissioners for the renovation of the Bouchard Building conditioned upon all plans and expenditures being reviewed and pre-approved by the Hillsborough County Executive Committee. The expenditures for this project will not exceed \$1,405,000. In response to a question, Rep. Calawa gave a brief outline of the plans for the Bouchard Building, noting that the whole building would not be completed right away. He stated that Goffstown District Court has made a request to lease part of the Bouchard Building but they are not ready yet. They have to get approval from the Executive Council and everything is currently frozen for the time being. Rep. Kurk stated that he is in favor of the project but wants to wait for the refurbishment of the Court's space, noting that we can save the taxpayer considerable amounts of money. Rep. Wheeler stated that he is a Selectman in Goffstown and the Town of Goffstown has approved a lease for the Goffstown District Court for one year with no renewal. On a voice vote motion adopted unanimously.

Motion by Rep. LaRose District #27, seconded by Rep. Goulet District #15, to approve the mileage reimbursement rate for Hillsborough County Employees and Elected Officials to mirror the maximum federal mileage rate which is currently 36.5. Brief discussion ensued regarding elected officials getting an increase in the mileage and regarding a motion that was made during the F/Y 02 budget process. Rep. Mercer stated that he remembers a motion being made previously, however it was specific to F/Y 02 - 03. On a voice vote motion adopted. 4 Nays.

Motion by Rep. Thulander District #6, second by Rep. Graham District #15, to approve a transfer of \$645,621 from the Capital Project Fund to Revenue, Line 3509 with the stipulation and restriction that these funds will only be used on the renovation project at the Bouchard Building. Rep. Thulander stated that this money has been in a separate account and it specifically designated for the renovations of County Buildings. On a voice vote motion adopted.

Motion by Rep. Mercer District #27, second by Rep. Goulet District #15, to approve the original proposed F/Y 03 Hillsborough County Budget as proposed by the Executive Committee for a total appropriation of \$71,574,893 and that the sum of \$40,406,045 be raised in county tax to be reduced by the final surplus figures upon closing of the county records for the fiscal year 2002. Chairman Milligan stated that this motion does not require a vote until the amendments have been completed.

Motion by Rep. Golding District #38, second by Rep. Graham District #15, to amend the Executive Committee Proposed F/Y 03 Budget to increase the Contingency 4198, Line 010 Salaries/Wages in the amount of \$142,461 for the funding of the Collective Bargaining Agreement between ICWU Local 1046C and Hillsborough County. On a voice vote motion adopted. 3 Nays.

Motion by Rep. Kurk District #5, second by Rep. Fields District #18, to amend the Executive Committee Proposed F/Y 03 Budget to decrease the surplus line 2530 to \$6,755,000 to decrease the Contingency budget, 4198, line 0960, Building Additions/Restorations to \$1,405,000 and to decrease the County Complex budget 4194, 0290, Other Fee/Services to \$8,700. This will also authorize the expenditure of \$1,405,000 for the purpose of renovating the Bouchard Building specifically conditioned upon all expenditures being reviewed and pre-approved by the Hillsborough County Executive Committee. Rep. Kurk stated that there would be no impact on the tax rate; there is currently enough money in surplus and some additional money set aside in a capital fund for the refurbishment. In response to a question Rep. Kurk explained the surplus figure is like a saving account and it has increased over the last few years. He noted that the County needs so much in the surplus to maintain an A+ bond rating and to satisfy the Department of Revenue (DRA). Rep. Kurk stated that the Board of Commissioners and the Executive Committee thought it would be more fiscally responsible to take the cash from surplus for the renovations versus taking a bond out. By doing this we would still have enough left in surplus to maintain our bond rating and give money back to the taxpayer. Chairman Milligan stated that one reason for the large surplus

is the business that is being done in the Registrar of Deeds, real estate has been extremely busy and this in turn helps the Counties revenue.

Chairman Milligan recognized Rep. Thulander for an amendment. Motion to amend the original motion by Rep. Thulander and accepted by Rep. Kurk to amend and clarify the original motion to authorize the expenditure of the \$645,621 as part of the total appropriation of \$1,405,000 (noting the \$645,621 is included in the total appropriation such that it will not exceed the \$1,405,000). On a voice vote motion adopted.

Motion by Rep. Kurk District #5, second by Rep. Clegg District #23, to reduce the County Complex Budget 4194, Line 0960 to \$24,000. Rep. Kurk stated that most of the money in line 0960 deals with the upkeep of the Bouchard Building and the renovation of the Administration Building. He notes that the Administration Building is completely separate from the Bouchard Building and the renovations should be completed on the Bouchard Building before the County renovates the Administration Building. If the Goffstown Court moves in to the Bouchard Building the Administration Building will be prime real estate for tenants yet unknown, it would be in the Counties best interest to wait to renovate the Administration Building to the tenant's specifications, and we could save the taxpayers some additional money. Rep. Wheeler stated he does not agree with Rep. Kurk's motion, he inquired if the Executive Committee approves of the motion to wait for the renovation of the Administration Building. Rep. Kurk stated this has not been brought before the whole Executive Committee but he has discussed this change with Rep. Calawa and the Board of Commissioners. On a voice vote motion adopted.

Motion by Rep. Thulander District #6, seconded by Rep. Elliott District #2, to approve the Hillsborough County Executive Committee Proposed F/Y 03 Budget as amended for a total appropriation of \$70,945,503 and the sum of \$40,421,656 be raised in County taxes, the said County tax to be adjusted by the final surplus figures upon closing of the County records for the fiscal year 2002. In response to a question Rep. Kurk stated that the F/Y 03 budget would be approximately 1.3% increase over F/Y 2002. Rep. Buckley brought up the fact that according to the F/Y 03 budget the County Commissioners are costing the taxpayers approximately \$30,000 each for running Hillsborough County. In response Rep. Thulander stated that this is his subcommittee that handles the County Commissioners and he briefly reviewed the Commissioners budget and explained some of the line items. Rep. Kurk stated that the Board of Commissioners receive a salary of \$15,000 per year and that is not much compared to what CEO's receive for running a large Corporation. On a voice vote motion adopted.

Motion by Rep. Calawa District #17, seconded by Rep. Cote District #32, pursuant to RSA 28:8c to approve the Board of Commissioners request and ratify the approval of the Sale of County Land in Goffstown, NH to Irving Oil as outlined in a RFP dated March 11, 2002. The land encompasses approximately 2.5+/- acres on Henry Bridge Road.

Rep. McRae District # 7 does not support this motion stating that the Town of Goffstown plans on developing the area surrounding the land in question to the Rails to Trails area. She stated that if this area were commercially developed the Town of Goffstown would lose the opportunity to develop the vicinity as a recreational area. Rep. Calawa stated that in Irving Oil's presentation that have discussed supporting the Town of Goffstown with the Rail to Trails project. Rep. Wheeler and Rep. McRae stated that this proposal has never been brought forward to the Selectmen in Goffstown or to the Conservation District in Goffstown. There is nothing in writing to support this statement.

Motion by Rep. L'Heureux District #18, second by Rep. Vaillancourt District #44, to table the motion to approve the Sale of County Land in Goffstown NH to Irving Oil. On a voice vote the Chairman ruled the motion passed. Motion by Rep. Arnold, seconded by Rep. Clegg to appeal the rule of the Chair. Rep. Arnold requested a hand count of the original motion. After a brief discussion of the motions the Chairman took a vote on the motion to challenge the Chair. On a voice vote motion to appeal the rule of the chair fails.

Motion by Rep. Goulet, and seconded by Rep. Fields to adjourn at 7:00 PM

Chairman Milligan thanked all the Representatives who worked on the budget subcommittees and the Representatives who made the effort to attend the Delegation meeting today.

Robert Mercer, Clerk
Hillsborough County Executive Committee

Date Approved: ____07/12/02__

HILLSBOROUGH COUNTY EXECUTIVE COMMITTEE

CONTINGENCY FUND REPORT

F/Y 2002

Contingency Appropriation	\$1,092,783
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County Complex

4194-0960-3	Building Additions/Restoration	\$ 85,950
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Sheriff Department District Court Bailiffs

4211-010-6	Salaries/Wages	\$ 150,000
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4211-100-6	Social Security	\$ 11,475
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4211-110-6	Unemploy. Tax	\$ 930
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4211-140-6	Ins/WC/Liab	\$ 3,750
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Various Salary, Social Security and Retirement	\$ 47,878
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Medical Referee

4192-250	Physician Services	\$ 30,000
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Register Deeds

4193-0380	Postage	\$ 12,000
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Total Contingency Expenditure	\$ 341,983
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2002 ANNUAL REPORT

HILLSBOROUGH COUNTY BOARD OF COMISSIONERS

The Hillsborough County Board of Commissioners is pleased to present the 2002 Annual Report on the operations and financial condition of Hillsborough County. During this past year, the County was able to utilize \$4,675,000 in surplus to reduce the county tax rate. This was accomplished with the cooperation and diligence of all county agencies by exercising fiscal responsibility, maximizing revenue opportunities, careful budgeting, and administrative oversight. The significant savings experienced these past two years, for the first time in memory, when the County did not have to borrow in anticipation of tax receipts exemplifies the cooperative effort between the county commissioners and the department heads and elected officials.

The Board of Commissioners continues to work on controlling the growth of the budget to minimize the tax impact on the towns.

The goal of the Board of Commissioners is to have an effective, productive and cost effective county government that provides the necessary services to the citizens of Hillsborough County. One way, in which we work to achieve this goal, is through our budget oversight process. The County budget receives close initial scrutiny by department heads and elected officials who first develop and review budget requests. This critical analysis is the first line in controlling expenses. Next the Board of Commissioners reviews all requests and makes their recommendations to Sub-committees of the Legislative Delegation. These Sub-committees conduct a detailed review of the Board's recommendations, which are passed on to the Executive Committee. Following the review and recommendations of the Executive Committee, the last and final step in approving county expenditures is consideration by the Hillsborough County Legislative Delegation. Together with elected officials and county employees, the Board of Commissioners has worked to ensure that those necessary county services are provided in the most professional manner with the least impact on the County taxpayer.

Consistent with the state and federal surveys conducted in the spring, the Hillsborough County Nursing Home is in compliance with the requirements for long-term care facilities. The County was also successful in obtaining \$930,000 in Medicaid Proportional Share Payments to offset additional costs incurred by the taxpayers for caring for those nursing home residents whose care is more intensive. The Board congratulates the administration and staff for their efforts in making the facility an outstanding one.

The Commissioners awarded \$990,007.50 in Incentive Fund grants to 60 different social services throughout Hillsborough County that provide for the prevention of child abuse and out of home placement of children. These programs have a positive effect both in human and financial terms.

The County is debt free with the retirement of the final payment on the Hillsborough County Jail, with a bond rating of AA 2.

On a historical note, Hillsborough County was one of the five original counties created by the Provincial Act of 1769. The County began to execute its legal authority on March 19, 1771. It is appropriate for the Board to recognize the 230 years of service provided by our dedicated professional employees who serve the needs of the County.

Respectfully submitted,

Commissioner Rhona M. Charbonneau, Chairman
Commissioner Carol H. Holden, Vice-Chairman
Commissioner Toni Pappas, Clerk

HILLSBOROUGH COUNTY REGISTRY OF DEEDS

The Registry of Deeds generated \$5,236,824 in revenue for fiscal year 2002. Over 29 million in real estate transfer fees were remitted to the New Hampshire Department of Revenue Administration. There were 126,505 documents recorded, a 35% increase over last fiscal year.

A website has been developed and will be enhanced to include images in January. Future changes in technology will allow me to improve both customer service and Registry efficiency.

The users' fee has increased our revenue by \$239,513. This money is being utilized for new equipment, optical imaging conversion projects and expanding customer services. These funds reduce my budget.

I am fortunate to have the support of a professional staff and dedicated Deputy, Annette Jacques. Representative Milligan, Chairman and Representative Melcher, Vice Chairman of my budget committee and the committee members continue their hard work. You, the Commissioners, the Executive Committee, and the delegation are to be commended for your interest and direction. All have contributed to the success of the Registry.

Judith A. MacDonald, CPO
Registrar of Deeds

HILLSBOROUGH COUNTY NURSING HOME

July 1, 2001 – June 30, 2002

Patient statistics for the fiscal year ending June 30, 2002 are as follows:

	<i>Fiscal Year 2002</i>	<i>Fiscal Year 2001</i>
Number of Admissions	186	117
Number of Deaths	67	55
Number of transfers & Discharges	107	75

Census billing statistics for the reporting period:

Total Patient Days:	96,806
Occupancy Rate:	88.41%
Medicaid Days	80,669
Medicare/Skilled Days:	2,769
Self-Paid Days (Private):	4,758
Atypical Days (Medicaid):	8,582
Private (ELU):	28
Leave of Absence Days:	92

Total Revenues (unaudited) 13,763,429 (excludes proshare)

Total patient days for fiscal year 2002 were 1.1% below the actual total days for the same period in 2001. However, total revenues for the period increased by \$130,822 (unaudited) over total revenue received during FY2001. The slight reduction in our 2002 census was mainly attributable to unit renovation, skilled unit census below capacity due to staffing issues, and a 43% increase in the number of discharges – a good sign indicative of the fact that a large percentage of admissions are going back to their homes after rehabilitation.

Revenues for the period were higher in FY2002 than in FY2001 even though total days were down slightly due to a fairly higher Medicaid rate and a stronger Medicare Part A census. Self paid days for the period decreased by approximately 22.4%, however, we appear to be back on track this fiscal year to meeting our self pay budget estimates which are similar to the levels experienced in FY2001.

Staffing and recruitment in 2002 continue to be problematic in the current labor market as we saw a significant increase in our dependency on agency staff utilization from levels experienced in 2001. Agency use increased due to many factors, however, the main reasons include: a significant increase in licensed staff leave of absences, a decline of the overall availability of licensed nurses in the workforce, intense area competition for nurses and our inability to fill a second (of two) staff development positions until recently that currently gives us the ability to conduct additional and/or larger Licensed Nursing Assistant (LNA) classes internally. We are currently seeing some positive signs in our effort to reduce agency use through improving our relationship with several area nursing schools and their clinical programs, reducing the rate of employee turnover, wage enhancement and increased flexibility in our starting rates based on years of prior experience. Even though agency use was up in FY 2002, we fared much better in this line item than several other comparable facilities in the southern and central parts of New Hampshire.

Years of service awards were given out to Staff during Nursing Home Week last May. We had a total of 41 employees with 15 years experience, 28 with 20 years, 12 with 25 years and 7 with 30 plus years. Employees with 15 or more years of service currently represent approximately 25% of our total work force! Congratulations to all Staff for your dedication and commitment to your Residents and to Hillsborough County Nursing Home. We are very proud of you and the job that you do.

Our annual renovation plan continued into FY 2002 as we completed renovations on Unit C3, a 50 bed Intermediate Care (ICF) unit. The renovations on C3 were more intensive than on other units since we dropped the ceilings in all 23 resident rooms. The above work in addition to new laminate, paint, baseboard/furniture replacement, and dining room redesign to include a kitchenette and an ADA bathroom has this unit sparkling. My thanks to the Maintenance staff again for their excellent work and craftsmanship, and to the Nursing department and the Residents for their cooperation in allowing us to move temporarily while the renovations took place. The C3 project cost was approximately \$185,000.

In April 2002 the New Hampshire Department of Health & Human Services conducted their annual certification and licensure survey. This survey, like our survey in 2001, lasted four days. The State found two deficiencies, one related to medication pass timing and the other to resident dining. Additionally, we were cited with two building/safety code deficiencies, one having to do with wall penetration and the other required an exit sign in the boiler room area. Both issues were corrected prior to the state team conducting their exit conference. Overall this year's survey was excellent and more importantly reflected improvement over our 2001 survey. Once again, a special thank you to all departments for a great State Survey!

2002 was the first full year with Dr. Howard Suls as our Medical Director. Recently, Dr Ajay Koshy joined Dr. Sul's staff and is currently seeing patients and residents at HCNH. Both Dr. Howard Suls and Dr. Koshy are Board certified in family practice. Also providing medical coverage through Dr. Suls are Dr. Rizkalla of Portsmouth, Corey Piper, ARNP, from the Concord area and Mary Lynn Fahey, ARNP, from Manchester. In addition to the above, Dr. Norman Caron of Goffstown provides medical services to our Residents as an independent practitioner. We feel that our medical staff is exceptional and should be seriously considered when prospective candidates for nursing home or rehabilitation services are being considered.

Thanks again to Rita Goulet and the members of the Nursing Home Guild for their continued support in providing activities and events that add to the quality of life for so many of our residents, for their volunteer hours, and for their fund raising efforts. The Guild remains an active and integral part of our nursing home community.

Bruce C. Moorehead, NHA
Administrator

HILLSBOROUGH COUNTY ATTORNEY

The Annual Report for the Hillsborough County Attorney's Office for the year 2002 covers an entire year of activity. As with almost everything in our Country, one day stands out in a way that was unlike all others and which will mark and define all of us here in Hillsborough County and in our Country as a whole. September 11, 2001 gave our Country a wake up call, taught us a lesson and made us realize how remarkable fortunate we have been and are to live in a free society. This generation and generations to come will never again take for granted how fortunate we are to live in America. We have learned that far greater efforts have to be expended to insure and protect the quality of life that we so fortunately live everyday. All the members of the Hillsborough County Government team, in particular, the County Attorney's Office, will work diligently to maintain our way of life. In doing that, members of our office look forward to working closely with the Hillsborough County Commissioners, the Executive Committee, the full Delegation, the member of our local and State Police Departments, the members of the Attorney General's Office, the members of the US Attorney's Office and all their various investigative agencies.

The primary responsibilities of the Hillsborough County Attorney's Office involve the prosecution of felonies and misdemeanors committed within the boundaries of our county. Our office is continuously involved in the prosecution of crimes committed in Hillsborough County whether it be domestic violence, burglary, theft, sales of illicit drugs, negligent homicide, forgery, violations of the habitual offender statute, assaults against persons, theft of property, or witness tampering, to name just a few. Our community recognizes that the scope and measure of this work is an ever-increasing one. We thank all of the members of the law enforcement community for the tremendous job that they perform every day, not only in protecting us but investigating cases and making it possible for us to succeed in the prosecution of those who would violate the law and ignore the rights of their fellow citizens.

As we indicated in the Annual Report for the year 2001, we are again the beneficiaries of resources directed to us through the Violence Against Women Grants Office, Office of Justice Programs, and US Department of Justice, which direct monies from the federal government, which is overseen by the Attorney General's Office. (Points of view in this document are those of the County Attorney and do not necessarily represent the official position or policies of the US Department of Justice.) Once again the benefit of this grant is to address the ever-spreading problem that challenges not only the district courts but also the superior courts that are located in both Nashua and Manchester. The community is able to utilize this grant to make it possible for our office to employ a full-time prosecutor in the Manchester District Court whose sole responsibility is the prosecution of domestic violence crime. A remarkably important asset of the receipt of these resources is the assistance it provides for the Manchester Police Department, the Nashua Police Department, and the Department of Corrections. A significant portion of the district court dockets in both Manchester and Nashua are challenged by domestic violence cases, which on some days can take up to as much as a third of the total daily workload. The professionals who deal with these cases recognize that it is essential to combat this problem utilizing a team effort concept of all of these agencies working together to provide the highest level of community safety for young and old alike. The collaborative efforts of the federal, state, county and municipal levels of government perform an excellent job in dealing with the prosecution of domestic violence.

Work performed by the Justices in the Manchester District Court, Chief Justice William H. Lyons, Associate Justice Norman E. Champagne and Special Justice John C. Emery proceeds at a remarkable pace. There seems to be no let up in the ever-increasing amount of work that is expected of these hard working and under appreciated members of the bench. Fortunately for them, they can look to their Clerk, Paula Hurley, in managing the Court's remarkably large docket. In that setting, the Hillsborough County Attorney's Office is fortunate enough to have a federally funded domestic violence prosecutor in the person of Jean M. Reed who handles the bulk of the domestic violence complaints that come through that court. She works in the same setting as the prosecutors from City Solicitor, Thomas Clark's office. The Nashua District Court, which is overseen, by Presiding Justice H. Philip Howorth, Associate Justice, Thomas E. Bamberger and Special Justice James H. Leary are just as busy as the Manchester District Court. The Nashua District Court relies on the expertise of its Clerk, Paulette A.

LeBlanc to look after the management of the case flow in that extremely busy setting. While the amount of work completed by both District Courts is of a great size, the people of Hillsborough County are fortunate that the justices and clerks of the respective courts work tirelessly to assure that justice is dispensed in a timely and proper fashion in all matters that come before it.

The Hillsborough County Attorney's Office is fortunate to have benefits of an experienced and knowledgeable witness advocate team. It's Director, Catherine M. McNaughton oversees all of the work and responsibility performed by her assistants in working with the witnesses and victims of violent crime. Her years of experience in dealing with the victims of crime and in preparing them for the trial represents an invaluable component to the successful presentation of her cases before the grand and petty juries here in Hillsborough County. She and the members of her staff have been recognized as being some of the most skillful Victim/Witness Advocates working in our Superior Courts here in the State of New Hampshire. As I have indicated in the past, an important part of our successful prosecution of cases involving youthful victims relies to a great extent upon the invaluable assistance our victims of violent crimes receive from Director McNaughton and her staff.

We again see a year in which a significant numbers of cases are investigated by our local and State Police Departments involving those who would violate the Controlled Drug Act. Our Hillsborough County Grand Juries sitting in both Manchester and Nashua hear testimony regarding the sales of the controlled drugs. Fortunately for all of us, the Hillsborough County Attorney's Office works closely with members of the United States Attorney's Office, Attorney General's Office and the Drug Task Force for the State of New Hampshire in dealing with these cases. The assistance that we receive from the DEA, INS, FBI, New Hampshire State Police, Hillsborough County Sheriff's Office and all local Police Departments help us aggressively deal with drug dealers in southern New Hampshire.

Following Paul Gagnon's term as the United States Attorney for the District of New Hampshire, President George W. Bush nominated and the Senate has approved Thomas P. Colantuono as our new United States Attorney for the District of New Hampshire. Our office continues to enjoy an effective and a positive working relationship with the United States Attorney's Office and its staff and the federal law enforcement community that works closely with it. The same spirit of cooperation exists between our office and our State's Attorney General's Office headed by Philip T. McLaughlin and his capable and competent staff. We are once again fortunate to have the benefits of a federally funded prosecutor who in the person of Assistant County Attorney Kristin Z. Wilson prosecutes drug dealers with unlimited and boundless energies. Her funding, which originates with the federal government and is overseen by the Attorney General's Office is supported by Grant Number 20010219 awarded by the Bureau of Justice Assistance, Office of Justice Programs, US Department of Justice. (Points of view in this document are those of the County Attorney and do not necessarily represent the official position or policies of the US Department of Justice.)

The Hillsborough County Attorney's Office has continued to work with the federally funded DWI Sobriety Checkpoint Program. The joint efforts in which the New Hampshire State Police, the Manchester Police Department, and the Hillsborough County Attorney's Office work in these cases presenting educational programs for checkpoint officers in the preparation of the implementation of these programs represent a spirit of cooperation that brings about meaningful results in the prosecutions of those who drive under the influence of controlled substances. These checkpoints are set up throughout the State and are remarkably successful in screening numbers of DWI related offenders from operating their vehicles on the roads of New Hampshire. Our office has once again been fortunate to work closely with, Assistant Deputy Commissioner of Safety John A. Stephen who has been one of the major proponents of this program. The Hillsborough County Attorney's Office and all its law enforcement personnel are fortunate to have the Department of Safety and Attorney John Stephen working to protect the law-abiding citizens of the State of New Hampshire.

The Superior Court Clerk's Office in both the Northern and Southern Districts of Hillsborough County are ably managed by the John M. Safford and Marshall A. Buttrick respectively. All the people in Hillsborough County can be grateful that our clerks and their personnel are staffed by capable,

knowledgeable, hard working and experienced professionals. The huge caseloads that both Clerks' Offices manage are done so efficiently and in an orderly fashion. Everyone in Hillsborough County, and particularly the County Attorney's Office is the beneficiary of an excellent working relationship with the Clerk's Offices in both Manchester and Nashua.

The Hillsborough County Attorney's Office assists local police departments when faced with procedural and legal questions on a regular basis. Fielding these questions is an exciting and challenging responsibility for the attorneys in our office and of one, which we eagerly accept in our efforts to assist those local departments in their ever-challenging responsibilities of protecting the public. While our office is able to assist the local police departments in the questions that they post to us on an almost daily basis, our office is regularly in contact with the Attorney General's Office posing questions to it regarding some of the unique legal questions that face us. The Attorney General, Philip T. McLaughlin, and his staff of attorneys are always ready, willing and able to assist us in dealing with their remarkable questions that present new and challenging questions for us. The spirit of cooperation continues to exist between his staff and ours and we are ever grateful to that office for the help it provides us. One of this Office's great friends in the Attorney General's Office is Grant Coordinator, Mark Thompson. He continues to appreciate our needs and his assessment of our operation results in his granting our requests for assistance for specialized drug prosecutors and Domestic Violence prosecutors here in Hillsborough County. Without Mr. Thompson's continued appreciation of the tremendous challenge these cases present to our community, it would be exceedingly difficult for us to deal with all the additional issues that these two particular areas pose to prosecution here in Hillsborough County. We are ever grateful to the Attorney General's Office for the work it does on appellate issues before the Supreme Court of the State of New Hampshire.

The management of Hillsborough County rests on many shoulders including our County Commissioners, the Executive Committee, and the full Delegation and the New Hampshire Association of Counties who once again are extremely busy in handling their many duties. These hard working public servants are greatly appreciative of the fact that they can rely on Assistant County Attorney Carolyn M. Kirby as one of the Hillsborough County Attorney's Office's tremendous legal resource. Attorney Kirby is often called upon by those who manage Hillsborough County to resolve civil matters that our County faces on a regular basis, and in doing so she has saved our taxpayers a tremendous amount of money. Her duties include, but are not limited to, dealing with the issues of personnel litigation, responding to pleadings filed by inmates and federal detainees held here in Hillsborough County and other locations throughout the State. Her work often takes her to the Federal Court in Concord to protect and represent the Hillsborough County. Once again she performs these duties in a way that saves the taxpayers of Hillsborough County much money. She often deals with conflicts of labor litigation and arbitration issues in cases and matters involving the County Nursing Home and the County Jail. She is an invaluable advisor to the Sheriff's Department in matters that arise out of civil and custodial aspects of the Sheriff's responsibilities. Her opinions are sought on subjects of contracts, service agreements and vendors' issues, which face the County on a very regular basis. No one can put an accurate value on the total benefit she renders Hillsborough County, but everyone agrees that she and her advice are invaluable.

Members of the Hillsborough County Attorney's Office represent the State of New Hampshire at extradition hearings, habeas corpus hearings, sentence hearings and bail hearings. The frequency and number of these cases are ever increasing. The County Attorney's Office is often requested by other States to handle efforts to subpoena reluctant witnesses who have fled to New Hampshire to avoid their responsibility as witnesses. We handle these hearings on out of state witnesses to assure other jurisdictions that their material witnesses can be available at time of trial. Occasionally witnesses from the State of New Hampshire will flee to other states in hopes that they will be absolved of their responsibility to testify here. In those instances, we recover reluctant out of state witnesses in the same fashion. Our attorneys attend parole hearings held at the New Hampshire State Prison to present our objections and the objections of the victims of serious crimes when defendants are attempting to affect earlier release from incarceration. We work hard to remind those people who are responsible for the control of prisoners that the truth in sentencing statutes affects not only the inmates but the victims of crimes as well.

The Hillsborough County Attorney's Office is ever grateful to the education community for the assistance it provides us on a daily basis. Students from St. Anselm's College, the University of New Hampshire, Franklin Pierce Law School and Suffolk University Law School, to name but a few, make it possible for our intern programs to be staffed by talented and hard working lawyers-to-be. All the hard working attorneys in our office continue to be grateful and appreciative for the tremendous assistance we receive from our student research interns. They work tirelessly in resolving issues and compiling briefs for our trial attorneys.

As has been said in the past but continues to be a daily truth, we continue to appreciate the continued help and assistance we received from Hillsborough County Commissioners Rhona M. Charbonneau, Carol H. Holden and Toni Pappas. Resources made available to us as a result of the cooperation and support of Chairman Robert Milligan, the Executive Committee and the full Delegation for Hillsborough County make it possible for us to keep stride with the apparently unlimited resources made available to the Public Defender and the defense bar. Without these essential working resources we would not be able to maintain an equal footing with the defense bar in its efforts to insure the protection of defendants' Constitutional rights. The County Attorney's Office is equally grateful to the community for its continued support for the work we do and the contribution that we make in insuring that they are well represented in the superior court. We again look forward to the exciting upcoming year in working here in the Superior Court. Invaluable assistance has continued to be provide to us in a limitless fashion by Delegation Coordinator Marsha Rusch, the staff of the Hillsborough County Business Office, Sheriff Walter Morse and the members of his staff, Department of Corrections Superintendent James M. O'Mara, Jr. along with the staff at the Hillsborough County Department of Corrections, Administrator of the Hillsborough County Nursing Home Bruce Moorehead and the members of his staff, Hillsborough County Registry of Deeds Judith A. MacDonald and her staff, Human Services Director Ellen-Ann Robinson and her staff, Hillsborough County Register of Probate Robert R. Rivard and Cooperative Extension Administrator Daniel Reidy. We are today, as in the past, forever indebted and thankful for the support and cooperation of all governmental agencies in our work here in the Hillsborough County Attorney's Office. Without their continued support and cooperation we would not be able to accomplish the successes that we have had in the year of 2002. We look forward to another challenging and exciting year in 2003. We hope to do so with the continued success that we have seen in the years past. On behalf of all of the staff at the Hillsborough County Attorney's Office and myself, I thank you for the exciting opportunity to serve the Commissioners, the Executive Committee, the full Delegation and the public in 2001. We look forward to that continued challenge, responsibility and thrill in 2003.

Respectfully submitted,

Peter McDonough
Hillsborough County Attorney

PM/ks

HILLSBOROUGH COUNTY COOPERATIVE EXTENSION

468 Rt. 13 South, Milford, NH 03055
329 Mast Road, Unit 3, Goffstown, NH 03045

Cooperative Extension has been actively delivering research based education and information to Hillsborough County residents for nearly 90 years. The partnership between the United States Department of Agriculture, the University of New Hampshire, and Hillsborough County has provided a sound mechanism for ensuring that county residents have access to knowledge that enhances their ability to make informed decisions that strengthen youth, families and communities, sustain natural resources and improves the economy. A network of staff on the campus of the University, and in all ten counties linked together by technology, helps ensure Extensions ability to access and move resources quickly to identify and address societal and environmental issues.

Educators based at offices in the Hillsborough County Complex in Goffstown, the Chappell Professional Center on Rt. 13 in Milford and the Family, Home & Garden Education Center in Manchester deliver land grant university knowledge and research in Agriculture, Family Development, Forestry, 4-H & Youth Development and Nutrition across the county. Collectively, they produce a bi-monthly newspaper reaching about 2,000 households and individually they reach thousands more through television and radio.

FORESTRY

The Extension Forester provides educational and technical assistance to forest landowners in the better use of their forest resources for income production as well as recreation, wildlife, aesthetics and watershed management. The forester also advises homeowners on urban tree problems as well as encourages youth groups such as 4-H, vocational agriculture and scouting to become involved in learning and practicing good forestry.

Some of the accomplishments for this year include the examination of 3,221 acres of forestland for 56 landowners, and 32 presentations and tours conducted with an attendance of over 1,273 adults or young people. The forester met with Greenfield, Franconia, New Boston, Temple and Amherst citizens groups to advise on management of town lands. Thirty-three landowners were assisted with the planned harvesting of 1,379 acres of forest, and several landowners were assisted with sugarbush and Christmas tree operations.

Through the guidance of the Community Forestry Coordinator, *Tree Steward* Volunteers throughout the county logged thousands of hours on projects in communities across Hillsborough County. In Manchester's historic Millyard, our forestry coordinator chaired the Millyard Landscape Revitalization Committee, a grassroots effort whose goal is creating a sustainable landscape model for the historic Millyard. The group includes Millyard business and building owners and managers, UNH Manchester, several city departments, and the Business Improvement District. The committee received \$145,000 in grant funding for a master plan and long-term maintenance. At a recent meeting hosted by this group, architects, engineers and landscape designers worked with stakeholders to develop a vision which includes increased green space, innovative storm water filtration designs, watershed sensitive management practices, "trip over art" and public gathering spaces.

Our relationship with UNH-Manchester strengthened Extension's integration with the University as a whole. Joint grant writing with Karol LaCroix, UNH-M dean, and other Extension staff and students in a for-credit participation in the Community Tree Stewards training are among the results of this relationship.

Working with the City of Manchester, the forestry coordinator secured a \$44,000 grant, which landed on top of the US Forest Service list for funding for Urban and Community Forestry Projects. These funds will assist us to work with minority populations (in their language) to plant and care for trees in their neighborhood.

FAMILY & COMMUNITY DEVELOPMENT

Family Development educators deliver research based information and education on child and adult development, family money management, and nutrition and food safety.

Nutrition Connection program associates report 120 limited income adults completed a series of lessons covering basic nutrition, food shopping and meal planning. Four of these participants received this program in Spanish. Over 1,530 youth (including 82 Latino and 36 African American) in Manchester and Nashua schools participated in a series of nutrition education lessons, assisted by 59 volunteers who logged 1,266 hours of support.

Food safety programming reached 152 restaurant and school food service personnel, 4-H youth, Family Home and Garden Center volunteers and farm stand owners. Twenty-two participants passed the food safety certification exam for the ServSafe program. Eight workshops on Making Healthy Food Choices were delivered to 190 adults and youth from the Webster House in Manchester, Merrimack School District, Foster Grandparents program and other partnering organizations.

The Better Kid Care Program offered seven professional development seminars to 149 child care professionals on such topics as Secrets for Preventing Problem Behaviors, Using Computers in Child Care, The Ups and Downs of Outdoor Play, and Child Care for Mixed Ages.

UNH Cooperative Extension continues to work to Strengthen NH Communities with a Community Profile for Pelham in January. This profile was perhaps the greatest success to date with more than 300 residents gathering together to form action groups on issues of the highest importance to the community. Across the state nearly 70 Community Profiles have been held, 10 of those communities were in Hillsborough County. Greenville is scheduled to hold their event in October.

4-H YOUTH DEVELOPMENT

As a youth development program, 4-H focuses its programming with youth and families on the life skills represented in the 4-H Pledge: Head, Heart, Hands & Health. They represent the following life skills: cognitive & creative, personal & social, vocational & citizenship, and physical & mental health. Highlights of the past year include 120 youth, leaders, volunteers and parents participating in County Activities Day. Two hundred fifty youth participated in the 4-H Green Thumb Team program in Goffstown during the summer. Partners included the YMCA, Manchester Housing & Redevelopment Authority, Salvation Army and Girls Inc. Funding support was provided by a \$10,000 Bean Foundation grant and a \$3,000 National 4-H Council grant.

In partnership with the Nashua 21st Century After School Learning Center, 73 at risk youth participated in a four week, 4-H Vacation Club designed to enhance life skills, self-esteem, team work, conflict resolution, communication, decision making and problem solving. Science Explorations for home school youth participated in robotics, and participated in field trips to the Earth, Oceans & Space Institute at the University of NH. Forty 4-H members and families participated in a *Discovery Cruise* aboard the UNH Gulf Challenger to explore marine science. Participants conducted water quality studies and observe marine life.

FAMILY, HOME & GARDEN EDUCATION CENTER

The Family, Home & Garden Education Center and its volunteers responded to approximately 7,000 information requests this year about gardening, food safety and food preservation, water quality, backyard livestock, household insects and backyard wildlife. The walk-in diagnostic clinic processed more than 200 insect, disease and weed samples. Master Gardener volunteers contributed well over 2,500 hours of time to the clinic and Info Line, delivering gardening programs to groups, working at the Hillsborough County Nursing Home and at the 4-H gardens in Goffstown, working at the VA Hospital and on community projects, and writing newspaper articles. Weekly garden columns were written for 25 daily and weekly newspapers and 21 television spots were taped for Channel 9's weekly "Grow It Green" feature.

AGRICULTURE

Agriculture is an ever-changing dynamic business. To keep local farmers on the leading edge, the extension staff offered interactive formal educational meetings for farmers to attend. Examples of county meetings that reached over 250 members of the agricultural community include: Agricultural Income Tax Preparation, Apple Tree Pruning for Commercial Orchards, this year's organizational meetings for the Milford and Nashua Farmers' Markets, Current Land Use, Pumpkin Disease Management, Crop and Forage Update, Crop Risk Management - Crop Insurance, and a Pond Maintenance Clinic. One hundred and twenty farmers also attended two statewide meetings held in Hillsborough County on the topics of "Drip Irrigation for Vegetable and Fruit Crops" and "Pest Management for Berry Crops."

"Greenhouse Production Basics", a three-night introductory greenhouse production course, was offered in Goffstown to 28 individuals from such diverse locations as Bedford, New Ipswich, Litchfield, Nashua, Hudson, New Boston, Greenfield, Milford and Manchester. The course was designed to familiarize new growers with greenhouse structures, budgeting issues, marketing concepts, soil-less media, plant nutrition, site selection, and plant health.

In responding to the special needs of small and part-time vegetable and fruit growers in Hillsborough County, a special series of four twilight farm meetings were offered. The purpose of this meeting series was to give growers a chance to tour other farms in Hillsborough County, where growers were able to review other farmers' crop production management practices and strategies and ask questions.

In addition, cooperation on several regional programs provided local agricultural leaders with the opportunity to expand their knowledge base. Farmers attending these programs exchange ideas with others in New Hampshire and New England. The Hillsborough County Agricultural Staff has been involved in organizing and conducting these New Hampshire and New England events.

Respectfully submitted,

Daniel F. Reidy, Office Administrator
UNH Cooperative Extension, Hillsborough County

Hillsborough County Department of Corrections

The Hillsborough County Department of Corrections continues to bring quality correctional services to the citizens of our county and to the inmates.

The following annual report was developed from the summaries produced by the divisions within the department, health services, training, programs, operations and security, noting highlights and accomplishments within FY02.

SECURITY DIVISION

FY '02 STATISTICAL RECAP

	<u>%</u>	<u>2001-2002</u>
Men Serving Sentence	40%	65,032
Women Serving Sentence	33%	4,353
Men Awaiting Sentencing	60%	97,664
Women Awaiting Sentencing	66%	8,563

		<u>2001-2002</u>
Prisoner Days (Men)	(Total = sentenced and pre-trial inmates)	162,836
Prisoner Days (Women)	(Total = sentenced and pre-trial inmates)	13,014
Largest Census Day	30-Jun	518
Lowest Census Day	24-Jul	442
Escapes/Walk-away		0
Total Amount Processed - Male		4,432
Total Amount Processed - Female		603
Average Daily Population (ADP) H.O.C.		482
Average Daily Admissions – Male		12
Average Daily Admissions – Female		2

	<u>%</u>	<u>ADP</u>	<u>Total Days</u>
County Inmates	100%	481	175,612
Lease Bed Inmates	0%	1	238
TOTAL			175,850

HEALTH SERVICES DIVISION

This was the second year Hillsborough County provided and managed all aspects of Health Services for its inmates (previous years this service was subcontracted). The planning and initiatives implemented last year have formed the solid foundation for our mission of providing necessary, cost effective, quality health care.

As with the rest of the country, we are not immune to the rising health care and pharmaceutical costs. In response, our timely payment of bills enabled us to obtain substantial discounts for all hospital related costs (room/board, test, supplies, etc.), as well as, all specialty medical provider services through Dartmouth Hitchcock Medical Centers. Case management, utilizing generic medications and continuous consultation with the pharmacists have assisted in effectively managing pharmaceutical costs.

We have aggressively pursued the utilization of Workers Compensation Insurance, Medicaid, Medicare and inmate's private insurance wherever possible. As a result, the county paid only 40% of the specialty consultant costs and 32% of the inpatient hospitalization costs incurred for FY '02. There were 16 inmates that were hospitalized for a total of 50 days and there were also 141 specialists consultations.

The Health Service Division continues to reach out to the community health agencies to further strengthen relationships. This collaborative interaction with the Manchester Health Department and the NH Department of Health and Human Services continues to thrive. They provide 'no-cost' counseling and testing for many of the communicable diseases that threaten our population. A constant dialogue exists between these outside agencies to ensure proper discharge planning and disease surveillance.

Another major step was taken this year with the establishment of a cooperative educational program with NH Technical College. We were able to assist six (6) senior nursing students in meeting the clinical community health requirement of their curriculum. We also taught a Correctional Medicine Seminar at the college. Retainment and recruitment of nurses presents an ongoing challenge. Our relationship with the college allows an avenue of exposure and encouragement to nurses entering into the challenges of correctional medicine. We have also developed the groundwork for providing clinical internships to Master-level psychology clinicians which will enhance and expand our mental health services.

During this year, Hillsborough County correctional staff provided the transport services for scheduled and unscheduled medical transports. This has proven to be very successful, in that the transports were done in a timely manner. There was excellent communication when inmates were hospitalized, often enabling us to arrange for more timely hospital discharges thereby reducing the cost. Community medical providers were impressed with, and often commented on, the professionalism of our officers. The pilot program could not have been accomplished without the teamwork of all our departments – Security, Programs, Training, Operations and Health Services.

TRAINING DIVISION

Staff training and development is a continued focal point of this department. We realize that the only true method to enhance the operations of all the divisions, which make up the Hillsborough County Department of Corrections, is through effective training programs. FY '02 training hours totaled 39,460.25 hours (335 courses totaling 10,941 hours and 28,519.25 hours Officer Candidate training hours). This represented an 8% increase from FY '01's 36,595.50 hours and a 12% increase from FY '00 34,595.50 hours.

To ensure that the facility is prepared for all critical incidences, Hillsborough County Department of Corrections' staff conducted hundreds of emergency drills throughout the year. In FY '02, the staff conducted 1,293 emergency drills involving 1,794 officers. The following is a breakdown of what types of drills were conducted:

- 440 Fire Drill Procedures; involving 654 correctional officers.
- 423 Escape Drill Procedures; involving 627 correctional officers.
- 430 Lock-Down Drill Procedures; involving 513 correctional officers.

- **Hillsborough County Department of Corrections' Transport Team**

This new program has proven to be a welcomed addition to the orderly and efficient operation of the department. Each transport team member successfully completed required training courses that were deemed pertinent to an officer working within the community. Hillsborough County has received positive feedback from an array of professional organizations stating they were more than satisfied with the service this team has provided. The team will continue to improve and maintain the highest professional standards.

- **Hillsborough County Department of Corrections' Honor Guard**

This team of men and women has committed themselves to ensuring the highest quality of service is provided to the citizens of Hillsborough County.

The Honor Guard was deployed twelve (12) times in FY '02. The more notable deployments: The St. Patrick's Day Parade (Manchester) and the Opening Ceremony for the Special Olympics, Remembrance Service at Souhegan High School, Governor's Council meeting and the Opening Ceremony for the American Heart Walk.

PUBLIC RELATIONS

In corrections, we are faced with a perplexing dilemma – How to demonstrate to the general public the quality of our professional service? Unlike other law enforcement organizations physically stationed within the daily view of the community, we are hidden behind the secure perimeter – therefore, out-of-sight, out-of-mind.

In FY '02, we again made it a point to take advantage of any and all opportunities to meet and interact with the public. Some of the memorable events included:

Patriotism:

- Displaying the 30-foot American flag on the outside wall of the department.
- Creation of the 70-foot American flag on the roof of the building in full view of aircraft departing and arriving at Manchester Airport.
- The Hillsborough County Department of Corrections' Carwash raised in excess of \$2,500 for the American Red Cross for '9-11' victims.

Volunteering:

- The CIGNA Healthcare and Union Leader Classic road-races in which approximately 20 officers ran in formation while singing cadence (always a welcomed presence).
- Participants in the Special Olympics Torch Run from Manchester to Concord, New Hampshire.
- The department donated 86 turkeys to local soup kitchens at holiday time.
- Participants in the 5th Annual New Hampshire State Trooper Association Basketball Tournament.
- Hosting of the 60th New Hampshire Association of Counties Correctional Academy and graduation ceremony.
- The public enjoys seeing the large recruit classes run early in the morning, in formation, through the streets of Manchester.

The Training Division graduated four (4) Officer Candidate Orientation Classes – advancing 53 officer candidates. Officer Candidate Orientation consists of approximately 40 specialized training courses involving approximately 25 instructors. Orientation is a three-week training program in which a group of individuals, with limited or no experience, develop into a knowledgeable and physically prepared team under the direct guidance of qualified instructors. Officer Candidates must earn the opportunity to graduate by successfully completing numerous quizzes, a mid-term examination and a final examination, as well as, achieving pre-determined physical fitness standards.

PROGRAMS DIVISION

COMMUNITY SERVICE PROGRAM

This program continues to provide inmate labor for county agencies and non-profit organizations within communities throughout Hillsborough County towns. Projects that would otherwise go undone due to local budgetary constraints are successfully completed. A total of 11,052 hours of community service have been provided to each of the twenty-six (26) various communities and organizations requesting assistance.

OPERATION IMPACT

Our drug-free and alcohol awareness program presented to students in the Hillsborough County school systems continues to expand and has been an outstanding success. The program is focused toward “opening the eyes of our communities’ youth” to the dangers and consequences of drug and alcohol abuse. 1,361 participants benefited from this program in FY '02. The Board of Commissioners is particularly proud of this program and continues to support it.

WORK RELEASE PROGRAM

The Department of Corrections offers a supervised work program in which eligible, minimum-security inmates are provided an opportunity to work at jobs outside of the facility for a specified number of hours during the week. The program instills in each inmate a sense of personal responsibility and a work ethic and releases the inmate back into the community with gainful employment. In FY '02, 177 inmates were reintegrated back into society through the Work Release Program.

INMATE IMPROVEMENT PROGRAMS

The department supports a variety of educational and rehabilitative programs. It is our belief inmates should use their time at the facility to improve themselves. Inmate programming has been linked to reduced recidivism rates across the country resulting in reduced costs to those facilities that provide programming. The following is a breakdown of program participation for FY '02:

Number of
Participating Inmates

1273	12-Step Program – Alcoholics Anonymous
340	12-Step Program – Narcotics Anonymous
3033	General Equivalency Diploma (GED) programs (English and Spanish).
305	General Equivalency Diploma (GED) tests were administered
41	General Equivalency Diplomas (GED's) issued
968	English as a Second Language (ESL) Program
542	Adult Basic Education (ABE) Program
294	Special Education Program

15	Attitudinal Driving Course
13	Anger Management/Life Skills Programming certificates issued
5	Veterans Connection Program
1667	Watched the religious service videos of their choice
1981	Participated in religious bible study programs
25	Participated in a Domestic Violence Program
18	Participated in the Fatherhood USA Program totaling 720 hours of parenting instruction

OPERATIONS DIVISION

Fiscal year 2002 proved to be quite challenging for the Operations Division. Each department head was encouraged to increase the level of support provided to the entire facility, while at the same, minimizing any and all budgetary expenditures.

It is always challenging to motivate an unpaid “inmate” workforce. Department heads must instill a sense of pride for “a job well done” among inmate workers when for some the only recognition is time away from their housing unit.

Listed below are annual hours, by department, for inmate labor used to maintain the integrity of the taxpayer investment – the county jail:

Commissary	624
Food Services	89,760
Housekeeping	22,572
Maintenance	6,816

COMMISSARY

Commissary continues to provide those inmates who have the means with the option of purchasing various items, i.e. brand name quality hygiene products, stationary supplies, footwear and supplemental (non-issued) clothing and an assortment of food items. This service helps to defray operational costs by allowing inmates an opportunity to purchase items otherwise borne at taxpayer expense. The modest commissary commission generated goes back to the county in the amount of \$74,151.00.

As with any correctional facility, there is a heightened awareness that the holiday season is very stressful on the inmate population. Feelings of loneliness weigh heavy on inmates – particularly during Christmas time. This past season, with proceeds generated from the inmate commissary, each inmate was provided with an inmate gift bag containing candy, stationary supplies and other supplies deemed acceptable for inmate possession. Although the cost for this benefit was minimal, the gift bags went a long way towards raising the spirits of many inmates who may otherwise have been completely forgotten during the season.

FOOD SERVICE DEPARTMENT

This department served 587,432 inmate and staff meals – at an average cost per meal of only \$0.99. Beyond the usual or standard meal plan, the department provides ‘special’ religious and medical diet meals when necessary. A licensed dietician is consulted to review diets to ensure they meet the nutritional requirements

HOUSEKEEPING DEPARTMENT

Although taken for granted more frequently than most departments, the Housekeeping Department, staffed by only two individuals, continues to maintain a high level of cleanliness throughout the facility. This department maintains inventory levels of all inmate related clothing, cleaning and laundry chemicals, bedding and paper supplies.

The greatest challenge, which the Housekeeping Department continues to meet, is the utilization of inmate labor exclusively throughout the facility.

In addition to maintaining what is widely viewed as the cleanest correctional facility in the state, the Housekeeping Department has been instrumental in temporarily converting the facility's gymnasium into a banquet facility. The gymnasium has been used to host graduation ceremonies for in-house orientation programs, as well as, the 60th New Hampshire Association of Counties (NHA^oC) Correctional Officer Academy. By all accounts, the NHA^oC graduation ceremony surpassed all previous ceremonies and provided Hillsborough County with the opportunity to showcase our facility to other counties and state officials in addition to friends and families of the graduating class.

MAINTENANCE DEPARTMENT

The Maintenance Department strives to keep up with the challenge of an aging facility and its equipment, as well as, vehicles and machinery. The services provided are ever increasing. Additional vehicles, facility renovations and routine preventive maintenance continue to challenge the department.

In FY '02, the department took advantage of grant funds available through Public Service Company of New Hampshire to replace approximately 50% of the 4440 fluorescent light tubes and associated electronic ballasts. The new light tubes and ballasts are designed to use less electricity, while emitting greater light. This retrofitting is expected to translate into a savings in the overall electrical costs by this facility. The project is due to be completed in FY '03.

SUPPORT/CLERICAL STAFF

The secure inmate telephone system continues to offer valuable data to this department and outside law enforcement agencies. The unique security feature of this system allows authorized staff to track numbers called, block access to specific telephone numbers and record specified conversations for investigative purposes.

In addition to its valuable security feature, the county received revenue through commissions totaling \$282,014.00.

Unfortunately FY '02 also brought about the advent of terrorist threats using the United States Postal Service. Although a county correctional facility may be considered an unlikely target for this type of terrorism, steps were taken to process incoming mail outside of the secure perimeter and to provide staff members with specialized training and information regarding this issue.

GOFFSTOWN COMPLEX

Fiscal year 2002 saw the installation of a new energy-efficient 100 horsepower boiler. The new boiler and fuel delivery system that converts #6 oil to #2 oil completed the first step in the planned, extensive renovations for the Complex. Also undertaken were significant repairs to the roof structure of the boiler building and adjacent outside buildings.

A vendor has been selected for the asbestos abatement required for approximately 3000 linear feet of pipe installation in the basement and stairwells.

The Complex continues to generate revenue for the County in rental income from several tenants. Rental income totaled approximately \$29,000 this fiscal year. In addition to rental agreements, the complex provides space, at no charge, to non-profit agencies such as the Disabled American Veterans and School Administrative Unit #19. Accesses to the Complex's grounds are provided to the Goffstown Youth Football Association, the Grizzlie Gridiron Club, the Piscataquog River Softball Association, fishermen and others. The Hillsborough County Department of Corrections puts forth great effort to ensure the abundant natural resources are properly maintained for the benefit of all Hillsborough County taxpayers.

Closing

I would like to express my sincere gratitude and appreciation to the Hillsborough County Board of Commissioners, the Executive Committee, County Delegation, the Hillsborough County Attorney's Office, especially Assistant County Attorney Carolyn M. Kirby, our legal counsel, the Hillsborough County Business Office and, our most valuable resource, the dedicated professional men and women of the Hillsborough County Department of Corrections.

James M. O'Mara, Jr.
Superintendent

Hillsborough County Conservation District

The Hillsborough County Conservation District represents soil and water conservation at the local level. Formed in 1946 as a sub-division of the State of New Hampshire, State Statute 430:B, the District is managed by a volunteer Board of Supervisors. The District works with farmers, forest landowners, landowners, schools, and municipalities to promote the use, protection, and conservation of natural resources on both private and public land, both rural and urban. Our conservation programs in Hillsborough County are carried out through public education and the implementation of Best Management Practices (BMPs). Technical assistance and information for the implementation of BMPs are provided for various land uses in cooperation with the National Resources Conservation Service (NRCS).

The District Board of Supervisors set priorities and goals for programs and assistance in an Annual Plan of Work, which is reviewed on a regular basis. The following highlights of our activities and programs for 2001 are based on that work plan:

- Programs on soils and watershed topics were presented to schools, scouting groups, school to farm days, and at conservation events throughout the year.
- Distributed District newsletters as well as other conservation education materials.
- Assisted the NH Envirothon, a natural resource and conservation education program for high school students at its 9th annual competition. One of our Earth Team volunteers coordinated the partnership of the NH Envirothon and the Yankee Community Partner Program.
- The 55th Annual Meeting was held in Milford. Dave and Ann Howard, a tree farmer in New Ipswich, was awarded Cooperator of the Year status. Tom Wessels presented a slide program on *Reading the Forested Landscape: A Natural History of New England*.
- The District hosted Local Led Conservation meetings during the year to review natural resource needs and set priorities for federal assistance through the Environmental Quality Incentives Program.
- The District worked closely with the Natural Resources Conservation Service and UNH Cooperative Extension with the training program for Earth Team and Community Tree Stewards volunteers. The volunteers, known as Natural Resource Volunteers Caring for Communities, worked on many projects jointly and separately throughout the year.
- Earth Team Volunteers donated almost 400 hours in 2001.
- Fund-raising efforts were promoted through the sale of fall bulbs and trout stocking.
- Memberships were renewed in the National Association of Conservation Districts, the New Hampshire Association of Conservation Districts and the Southern New Hampshire Resource Conservation and Development.
- Soil overlays were prepared at the request of local planning boards. SPI's were processed for landowners with farmland in current use.
- SPIs were performed free of charge to communities applying for LCHIP Grants.
- The Natural Resources Conservation Service used our delivery program to provide technical assistance to municipalities and to land users in Hillsborough County. Please see the NRCS report for details.
- A Conservation Field Day was held in New Boston where over 400 sixth grade students spent the day learning the importance of conserving and caring for our natural resources.
- A \$500 dollar scholarship was awarded to an exemplary Manchester student for pursuing a degree in natural resources.
- Design was initiated on the Hillsborough County Conservation District Web Site.
- A display on Watersheds was presented at Manchester's Pond Day; over 150 participants received information on wetland conservation.
- Gro-Labs were distributed to area schools in Hillsborough County. The schools received free of charge a complete "mini-greenhouse" Gro-Lab to learn about plant growth and conservation in their own classroom.

- The watershed model and non-point source pollution was discussed with over 50 5th grade students at Great Brook School in Antrim.
- A District display was shown at the annual Hillsborough County Fair.
- Grants were submitted to the Department of Environmental Services and the State Conservation Committee.

Office of the Hillsborough County Sheriff

As we entered 2002 it was a somber time at the Sheriff's office. The terrorist attacks of 2001 placed many demands on Law Enforcement agencies nationwide, and the Hillsborough County Sheriff's Office was no exception. As terrible and devastating as these attacks were, it brought the Emergency Services Community to the attention of the country. Never before in the history of Law Enforcement has there been such a free exchange of information inter-agency cooperation as we are seeing now. Political barriers fell as Federal, State, County and Local agencies all came together, finally realizing that we are all on the same team and working towards a common goal; the safety and security of our citizens.

With the prospect of war, and the additional attention that all law enforcement agencies have placed on the anti-terrorism effort, it is more important than ever that the deputies of the Hillsborough County Sheriff's Office be trained and prepared to face new situations and challenges as they perform their daily job functions.

The Office of the Sheriff continues to serve the 31 communities of the states largest County, including the two largest cities in the State. With an ever increasing population, and the additional demands brought with the anti-terrorism efforts, demands on our resources are at an all time high. Yet, despite the demands, it fills me with a great deal of personal pride to report that the Deputies of the Sheriff's Office have risen to these challenges, and brought the County a more professional delivery of service than ever before.

COMMUNICATIONS

Perhaps no other division has felt that impact of the last year's events more so than our Communications Division. The frequency of incoming calls has increased exponentially, and the stress of the dispatch environment has never been higher.

Our communications division continues to provide emergency dispatch services twenty-four hours per day, every day, supplying radio and telephone communications not only for the Sheriff's Office, but for several communities in the County as well.

Police dispatch services are still provided for the towns of Francestown, Greenfield, Litchfield, Mason, New Ipswich, Peterborough and Temple. We provide Fire Dispatch for Mason, and EMS Dispatch for both mason and the Souhegan Valley Regional Ambulance. We also continue to provide dispatch services for the Highway Departments of Mason, New Ipswich and Temple.

Our centralized dispatch provides an informational hub for the emergency services community of the County, while revenues from these services are returned to the County General Fund, reducing the county tax rate.

COURT SECURITY

In 2001 the Sheriff's Office's statewide became responsible for the security for prisoners held in the District Courts. The Sheriff's Office met these new responsibilities, while still retaining responsibility for all aspects of security at the two County Superior Courts.

In these turbulent times the workload of the Courts has increase, and that increase is felt throughout the many divisions of the Sheriff's Office, though none more directly than in the area of Court Security. At any given time there can be up to 32 courtrooms operating at one time, with twice that many Court Security Officers. From volatile family disputes, to criminal defendants, to victims and witnesses, our Court Security Officers deal with all types of personalities, from all walks of life, on a daily basis.

Our Court Security Officers interact with these people, and provide these security functions, in a professional manner, providing a safe, secure environment, and ensuring the efficiency of the judicial process.

TRANSPORTATION

Along with the District Court security function that was placed on the Sheriff's Office, we were also made responsible to transport prisoners to and from these courts. This has increased the demand for transportation services.

The video Arraignment System that has been put in place was designed to relieve the demand for transportation services, however the demand transportation service continues to grow, as the agencies utilizing the video arraignment system lack the manpower and accommodations to facilitate the overnight holding of prisoners. As a result, the Sheriff's Office now makes daily trips not only to the courts, but to a number of Police Departments as well.

In addition to these transports, the Sheriff's Office is also statutorily responsible for providing transportation to persons involuntarily admitted to the State Hospital. The potential risk to the safety of Deputies is greatly elevated when dealing with the often times violent nature of these people.

The concern for the safety of my Deputies is not limited to State Hospital Patients, but to their dealings with prisoners as well. The Transportation Division provided transport services for court appearances, as well as for medical and rehabilitative services not only in Hillsborough County, but also throughout the state, for inmates held at the County House of Corrections. Anytime an inmate is outside of the secure environment of a correctional facility, the opportunity for escape is greatly enhanced, and the risk to deputies is greatly elevated.

Our challenge has continued to be in meeting these demands with limited resources, while maintaining the safety of the Deputies providing these services. I am happy to report that my Deputies have risen to these challenges, and met them, providing approximately 15,000 transports a year safely, while ensuring the security of both the prisoners and the community.

CIVIL

Our Court Security and Transportation Divisions are not the only ones that have felt the impact of the increase in the Court workload. Our Civil Division continues to provide services of all forms of civil process, not only for those Courts in Hillsborough County and New Hampshire, but also service to Hillsborough County residents from Courts all over the Country.

Continuing increases in the number of Domestic Violence and other types of emergency restraining orders, including court ordered transfers of physical custody of children, remain a growing part of the focus of the Civil Division. The emergency nature of these orders places an increased demand on the limited resources of the Civil Division, and the volatile nature of the orders, and the situations surrounding them, increases the risk to the lives and safety of the deputies, the litigants and the general public.

The Sheriff's Office not only affects these services, but also provides a neutral, professional presence to ensure the safety of all involved, while preserving the rights of all parties involved.

The Civil Division also handles civil bench warrants issued by the District Courts. These warrants range from non-payment of civil judgments, to failing to appear for court hearings.

Each year as I prepare to write this report I stand in awe of the work done by the Civil Division. In addition to the emergency orders, the Civil Division also services small claims notices, divorce papers, landlord and tenant issues, including restraining orders and evictions.

In fact, almost all civil proceedings in court, at one time or another will generate some form of notice or order that must be served by the Sheriff's Office. The Deputies of the Civil Division are responsible for the efficient service of each and every one of these.

CRIMINAL

The anti-terrorism efforts of the last year have had an impact on every law enforcement agency in the country. The events of 2001 have had no more serious impact on the workload of the Sheriff's Office than in the Criminal Division. Over the past year the Criminal Division has worked closely with State, Local and Federal agencies facilitating the exchange of information, and ensuring the safety of law enforcement officers and the public.

In addition to these new responsibilities the Criminal Division continues to perform its primary function of locating and apprehending fugitives from justice, and persons wanted on Superior Court charges, and, the location and apprehension of those parents attempting to avoid their child support obligations.

The Criminal Division also continues to coordinate all criminal extradition activity for the County, working closely with the County Attorney's Office. The Criminal Division also regularly brings Fugitive From Justice charges against prisoners at the Hillsborough County Correctional Facility for out of State agencies. In addition, the Criminal Division has continued to receive requests for assistance from other law enforcement agencies in the areas of internal investigations as well as for criminal activity.

The increase in workload at the Courts has also had a direct impact on the Criminal Division, as we continue to see increasing number of arrest orders.

There can be no disputing that the workload of this Division has increased, and the backlog of work continues to grow. Despite this increase this division has not had an increase in personnel since 1988.

SUMMARY

Over the past ten years that I have held office, I have attempted to foster inter-agency cooperation, promote expanded services, upgrade equipment, and promote the Office of the Sheriff. While doing this, I have remained fiscally conservative, always remembering that I am responsible to the taxpayers who elected me.

This year marks the 230th year of service to the County since the first Sheriff took office in 1772. I have enjoyed serving as Sheriff, and as I look upon the last ten years that I have served, I can honestly say that I am filled with pride at the accomplishments that have been made. The Sheriff's Office has increased the level of professionalism within it's ranks, increased the level of services provided, and done it all while returning approximately \$1,080,000.00 of unspent appropriated tax dollars to the General Fund over a 10 year period.

While I am filled with pride, I hasten to add that I have not done this alone, and I extend my sincere thanks to the men and women of the Sheriff's Office, who perform the functions of the Sheriff's Office every day. If the image of the Sheriff's Office has changed, if the professionalism has increase, if the services have been expanded, then it is only because of the dedicated men and women who have risen to the every day challenges, and responded with a dedication that is unparalleled. To them I offer my thanks and appreciation. I am fortunate to have had such a wonderful staff during my time in office, and the citizens of Hillsborough County are fortunate that they will remain once I have gone.

I also wish to extend my sincere thanks and appreciation to the other County Departments; members of the New Hampshire Legislature; The Board of County Commissioners; the Justices of the

Superior and District Courts and their staffs; member of the Bar; Federal, State and Local Law Enforcement Agencies; my fellow Sheriff's from around the State; and the citizens of Hillsborough County. Your continued support over the years has made serving as Sheriff an honor, and a pleasure.

Walter A. Morse
Sheriff

OFFICE OF THE HILLSBOROUGH COUNTY SHERIFF
2002 STATISTICAL SUMMARY

COMMUNICATIONS DIVISION

Calls for Service	6,702		
Revenue		\$	17,029.87

COURT SECURITY DIVISION

Revenue, AOC reimbursement		\$	907,439.00
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CIVIL

Writs Processed/Served	24,437		
Revenue		\$	409,440.62

TRANSPORTATION

Prisoners Transported	13,170		
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CRIMINAL DIVISION

Felony Capias Received	504		
Felony Capias Processed	517		

Bench Warrants Received	581		
Bench Warrants Processed	532		
Child Support Capias Received	285		
Child Support Capias Processed	275		

Equity Capias Received	21		
Equity Capias Processed	18		
Total New Warrants Received	1,391		
Total Warrants Processed	1,342		

Extraditions Performed	146		
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Reimbursement from Extraditions*		\$	35,640.81
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TOTAL bail collected*		\$	33,524.20
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*(not included in revenue total)

TOTAL REVENUE		\$	<u>1,333,909.49</u>
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COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Financial Statements

June 30, 2002

and

Independent Auditor's Opinion

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
FINANCIAL STATEMENTS
June 30, 2002

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Vachon, Clukay & Co., PC

Certified Public Accountants

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Manchester, New Hampshire 03101
(603) 622-7070
FAX: 622-1452

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
County of Hillsborough, New Hampshire

We have audited the accompanying general purpose financial statements of the County of Hillsborough, New Hampshire as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the County of Hillsborough, New Hampshire's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the County of Hillsborough, New Hampshire, as of June 30, 2002, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the County of Hillsborough, New Hampshire taken as a whole. The combining financial statements listed as schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the County of Hillsborough, New Hampshire. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Vachon, Clukay & Co. PC

September 9, 2002

EXHIBIT A

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 2002

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types		Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Capital Projects	Enterprise	Trust & Agency	General Fixed Asset	General Long-Term Debt	2002	June 30, 2001		
ASSETS											
Cash	\$ 28,255,593			\$ 204,364	\$ 134,863			\$ 28,594,820	\$ 6,616,832		
Restricted cash				3,293,322				3,293,322			
Investments	1,433,546										
Accounts receivable	67,073			1,030,899				1,433,546	21,327,486		
Due from other governments	94,118							1,097,972	995,785		
Due from other funds	304,698	\$565,798	\$645,621		106,755			94,118	128,056		
Inventories				54,916				1,622,872	3,544,033		
Prepaid expenses	2,956							54,916	49,907		
Property, plant and equipment, net				2,758,703				2,956	2,990		
Amount to be provided for retirement of general long-term obligations						\$ 31,026,527		33,785,230	33,330,854		
Total Assets	<u>\$ 30,157,984</u>	<u>\$565,798</u>	<u>\$645,621</u>	<u>\$ 7,342,204</u>	<u>\$ 241,618</u>	<u>\$ 31,026,527</u>	<u>\$ 69,316</u>	<u>\$ 70,049,068</u>	<u>\$ 67,452,431</u>		
LIABILITIES AND FUND EQUITY											
LIABILITIES											
Accounts payable	\$ 8,150,386	\$ 97,170		\$ 415,608				\$ 8,663,164	\$ 3,804,143		
Accrued expenses	359,855	67,839		225,090				652,784	550,128		
Deposits	2,050							2,050			
Medicare deposits				3,293,322				3,293,322			
Due to other funds				1,622,872				1,622,872	3,544,033		
Due to specific individuals				209,884				354,476	338,035		
Compensated absences payable				112,985				112,985	121,805		
General obligation bonds payable									1,400,000		
Capital lease payable				13,811				83,127	66,182		
Total Liabilities	<u>8,512,291</u>	<u>165,009</u>	<u>-</u>	<u>5,893,572</u>	<u>144,592</u>	<u>-</u>	<u>\$ 69,316</u>	<u>14,784,780</u>	<u>9,824,326</u>		
Fund Equity (deficit):											
Investment in general fixed assets						\$ 31,026,527		31,026,527	30,807,319		
Contributed capital				3,247,658				3,247,658	3,247,658		
Retained earnings				(1,799,026)				(1,799,026)	(2,648,222)		
Fund Balances:											
Reserved for encumbrances	3,616,463	137,840						3,754,303	5,373,851		
Unreserved					97,026			97,026	97,026		
Designated for subsequent year's expenditures											
Undesignated	18,029,230	262,949	\$645,621					18,937,800	20,750,473		
Total Fund Equity	<u>21,645,693</u>	<u>400,789</u>	<u>645,621</u>	<u>1,448,632</u>	<u>97,026</u>	<u>31,026,527</u>		<u>55,264,288</u>	<u>57,628,105</u>		
Total Liabilities and Fund Equity	<u>\$ 30,157,984</u>	<u>\$565,798</u>	<u>\$645,621</u>	<u>\$ 7,342,204</u>	<u>\$ 241,618</u>	<u>\$ 31,026,527</u>	<u>\$ 69,316</u>	<u>\$ 70,049,068</u>	<u>\$ 67,452,431</u>		

See notes to financial statements

EXHIBIT B

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Combined Statement of Revenues, Expenditures and Changes in Fund Balances

All Governmental Fund Types

For the Year Ended June 30, 2002

	Governmental Fund Types		Totals (Memorandum Only)	
	General	Special	June 30,	
		Revenue	2002	2001
Revenues:				
Taxes	\$ 39,912,619		\$ 39,912,619	\$ 37,360,711
Intergovernmental revenues	1,170,002	\$ 788,739	1,958,741	1,827,188
Charges for services	7,140,096	239,545	7,379,641	5,750,799
Miscellaneous revenues	1,121,270		1,121,270	2,304,098
Total Revenues	<u>49,343,987</u>	<u>1,028,284</u>	<u>50,372,271</u>	<u>47,242,796</u>
Expenditures:				
Current:				
General government	5,961,129	774,954	6,736,083	6,266,473
Public safety	13,705,997		13,705,997	13,403,163
Health and welfare	27,874,136		27,874,136	25,883,199
Capital outlay		159,773	159,773	177,966
Debt service:				
Principal retirement	1,400,000		1,400,000	1,400,000
Interest	45,500		45,500	136,500
Total Expenditures	<u>48,986,762</u>	<u>934,727</u>	<u>49,921,489</u>	<u>47,267,301</u>
Excess of Revenues Over (Under) Expenditures	<u>357,225</u>	<u>93,557</u>	<u>450,782</u>	<u>(24,505)</u>
Other Financing Sources (Uses):				
Operating transfers out	(3,883,003)		(3,883,003)	(1,122,129)
Total Other Financing Sources (Uses)	<u>(3,883,003)</u>	<u>-</u>	<u>(3,883,003)</u>	<u>(1,122,129)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(3,525,778)</u>	<u>93,557</u>	<u>(3,432,221)</u>	<u>(1,146,634)</u>
Fund Balances, July 1, 2001	25,171,471	307,232	25,478,703	26,625,337
Fund Balances, June 30, 2002	<u>\$ 21,645,693</u>	<u>\$ 400,789</u>	<u>\$ 22,046,482</u>	<u>\$ 25,478,703</u>

See notes to financial statements

EXHIBIT C

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 39,912,619	\$ 39,912,619	\$ -
Intergovernmental revenues	1,080,000	1,170,002	90,002
Charges for service	5,067,406	7,140,096	2,072,690
Miscellaneous revenues	1,907,500	1,121,270	(786,230)
Total Revenues	<u>47,967,525</u>	<u>49,343,987</u>	<u>1,376,462</u>
Expenditures:			
Current:			
General government	7,202,944	5,990,568	1,212,376
Public safety	14,620,580	13,695,248	925,332
Health and welfare	25,215,498	26,098,058	(882,560)
Debt service:			
Principal retirement	1,400,000	1,400,000	-
Interest	45,500	45,500	-
Interest on tax anticipation notes	275,000	-	275,000
Total Expenditures	<u>48,759,522</u>	<u>47,229,374</u>	<u>1,530,148</u>
Excess of Revenues Over Expenditures	<u>(791,997)</u>	<u>2,114,613</u>	<u>2,906,610</u>
Other Financing Uses:			
Operating transfers out	<u>(3,883,003)</u>	<u>(3,883,003)</u>	<u>-</u>
Total Other Financing Uses	<u>(3,883,003)</u>	<u>(3,883,003)</u>	<u>-</u>
Excess of Revenues Over (Under)			
Expenditures and Other Uses	(4,675,000)	(1,768,390)	2,906,610
Fund Balance, July 1, 2001	19,797,620	19,797,620	-
Fund Balance, June 30, 2002	<u>\$ 15,122,620</u>	<u>\$ 18,029,230</u>	<u>\$ 2,906,610</u>

See notes to financial statements

EXHIBIT D

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Combined Statement of Revenues, Expenses and Changes in Retained Earnings

All Proprietary Fund Types

For the Year Ended June 30, 2002

		Totals (Memorandum Only)
	2002	2001
Operating Revenues:		
Charges for services	\$ 13,882,668	\$13,548,727
Other	8,987	39,466
Total Operating Revenues	<u>13,891,655</u>	<u>13,588,193</u>
Operating Expenses:		
General		
Administrative	1,057,563	1,022,715
Maintenance and operations	749,808	758,111
Physical Therapy	432,615	427,774
Dietary	1,609,253	1,637,014
Nursing	10,686,376	10,000,732
Laundry	368,268	357,014
Housekeeping	596,374	550,134
Physician/Pharmacy	273,070	226,943
Restorative Services	514,115	433,501
Social Services	268,135	242,154
Hairdressing	38,285	40,563
Depreciation	331,083	316,903
Total Operating Expenses	<u>16,924,945</u>	<u>16,013,558</u>
Net Operating Loss	<u>(3,033,290)</u>	<u>(2,425,365)</u>
Non-Operating Expenses:		
Interest expense	(517)	(311)
Total Non-Operating Expenses	<u>(517)</u>	<u>(311)</u>
Net Loss before operating transfer	<u>(3,033,807)</u>	<u>(2,425,676)</u>
Operating transfer in	3,883,003	1,122,129
Net Income (Loss)	849,196	(1,303,547)
Retained Earnings (deficit), July 1, 2001	<u>(2,648,222)</u>	<u>(1,344,675)</u>
Retained Earnings (deficit), June 30, 2002	<u>\$ (1,799,026)</u>	<u>\$ (2,648,222)</u>

See notes to financial statements

EXHIBIT E

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Combined Statement of Cash Flows

All Proprietary Fund Types

For the Year Ended June 30, 2002

		Totals (Memorandum Only)
	2002	2001
Cash Flows from Operating Activities:		
Cash received for patient care/services	\$ 13,798,631	\$ 13,929,527
Cash received from Medicare funds	3,293,322	
Cash paid to suppliers and employees	(17,093,744)	(14,728,884)
Net Cash (Used) by Operating Activities	(1,791)	(799,357)
Cash Flows from Noncapital Financing Activities:		
Operating transfers in	3,883,003	1,122,129
Net Cash Provided by Noncapital Financing Activities	3,883,003	1,122,129
Cash Flows from Capital and Related Financing Activities:		
Principal paid on capital lease obligations	(2,395)	(9,892)
Interest paid on capital lease obligations	(517)	(311)
Proceeds from capital lease obligations	6,512	10,825
Acquisition and construction of capital assets	(566,251)	(281,972)
Net Cash (Used) by Capital and Related Financing Activities	(562,651)	(281,350)
Net Increase in Cash and Cash Equivalents	3,318,561	41,422
Cash and Cash Equivalents, beginning of year	179,125	137,703
Cash and Cash Equivalents, end of year	\$ 3,497,686	\$ 179,125
Reconciliation of Net Operating Loss to Net Cash Provided by Operating Activities:		
Net operating loss	\$ (3,033,290)	\$ (2,425,365)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	331,083	316,903
Allowance for doubtful accounts		83,880
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(93,024)	141,603
Decrease in interfund receivable		115,851
(Increase) in inventories	(5,009)	(7,646)
Increase in accounts payable	325,840	63,336
Increase in payable from restricted assets	3,293,322	
Increase in accrued expenses	25,714	27,261
Increase (decrease) in interfund payable	(857,623)	849,168
Increase (decrease) in due to specific individuals payable	20,016	28,431
Increase (decrease) in compensated absences payable	(8,820)	7,221
Net Cash Provided by Operating Activities	\$ (1,791)	\$ (799,357)

See notes to financial statements

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
June 30, 2002

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Hillsborough, New Hampshire conform to accounting principles generally accepted in the United States of America for governmental units except as indicated hereinafter. The following is a summary of significant accounting policies.

Financial Reporting Entity

The County of Hillsborough, New Hampshire was established in 1769 under the laws of the State of New Hampshire. The County boundaries include thirty-one New Hampshire municipalities located in southern New Hampshire. The County operates under the Commissioner/Delegation form of government and provides services as authorized by state statutes.

The accompanying financial statements of the County present the financial position of the various fund types and account groups, results of operations of the various fund types, and the statements of cash flows for its proprietary fund types.

Basis of Presentation - Fund Accounting

The accounts of the County are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the County:

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the County's governmental fund types:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for specific restricted revenues and expenditures. The County's Incentive Funds and Registry of Deeds Surcharge Fund are accounted for as special revenue funds.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund Types

Proprietary Funds are used to account for the County's ongoing activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in cash flows.

Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public or clients on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County accounts for the Nursing Home as a self-supporting enterprise fund. The Nursing Home Fund, however, receives an operating subsidy from the General Fund on an annual basis to support current operations and fund capital acquisitions.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and other governmental units, and/or other funds.

Expendable Trust Fund - Expendable Trust Funds account for the financial resources of the Nursing Home's Capital Reserve Fund.

Agency Funds - Agency Funds are used to account for assets held by the County in a fiduciary capacity for various departments and individuals. These funds consist of inmate savings, correctional and Court House canteen funds, correctional commissary funds, and sheriff's bond and escrow funds and court forfeited funds.

Account Groups

General Fixed Asset Account Group - Property, plant and equipment used in governmental fund type operations are accounted for in the General Fixed Asset Account Group. Assets are capitalized at cost or estimated historical cost if purchased or constructed, and donated fixed assets are recorded at their estimated fair market value at the date of donation. Assets in the general fixed asset account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

General Long-Term Debt Account Group - This group of accounts is established to account for all outstanding long-term obligations of the County, except for amounts accounted for in Proprietary Type Funds.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, if measurable.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amount will be paid to the County; therefore, revenues are recognized based upon expenditures recorded. In the other, monies are virtually unrestricted as to purpose of the expenditure and are usually revocable only for failure to comply with the prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

The accrual method of accounting is used by the proprietary fund types. The County has elected not to follow the FASB pronouncements issued subsequent to November 30, 1989 in accounting and reporting for its proprietary operations.

During the course of normal operations, the County has numerous transactions between funds, including expenditure and transfers of resources to provide services, construct assets and service debt. The accompanying governmental and proprietary funds statements reflect such transactions as transfers.

Cash and Equivalents

The County pools cash resources of its general, special revenue and proprietary funds to facilitate the management of cash. Cash applicable to a particular fund is reflected through the interfund balance. Cash in excess of current operating requirements is invested in various interest bearing investments.

Investments

Investments are stated at their fair value. Certificates of deposit with a maturity of greater than ninety days from the date of issuance are included in investments.

Accounts Receivable

Accounts receivable of the Nursing Home Enterprise Fund at June 30, 2002 are recorded net of an allowance for uncollectible receivables of \$275,705.

Inventories

Inventories in the Proprietary Fund Types are valued at the lower of cost (first-in, first-out basis) or market.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Type Funds - Property, Plant and Equipment

Property, plant and equipment are valued at cost. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Years</u>
Buildings and improvements	5-70
Equipment	3-20

Accrued Vacation and Sick Leave

Employees earn vacation and sick time as they provide services pursuant to County policy and the provisions of collective bargaining agreements. As employees cannot accumulate sick and vacation time beyond one year, no amounts are recorded as long-term obligations in the General Long-Term Debt Account Group.

Generally, sick leave is accrued at the rate of 1 1/3 days per month per employee. All sick leave earned and unused at December 31 is paid in January of the following calendar year. The County does not record a liability for these amounts in its governmental fund types at the end of the fiscal year, as these expenses are accounted for on a "pay as you go" basis in the ensuing fiscal year.

The estimated value of accrued sick time for the Nursing Home Enterprise Fund has been accrued as a liability in that fund as required by accounting principles generally accepted in the United States of America. The recorded amount is \$112,985 as of June 30, 2002.

Total Columns on Combined Financial Statements

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in cash flows in accordance with accounting principles generally accepted in the United States of America.

NOTE 2--BUDGETARY ACCOUNTING

The County delegation is responsible for the adoption of budgets for all Governmental Fund Types and the Nursing Home Enterprise Fund. Subsequent to the adoption of the budgets, the Commissioners may apply to the County Delegation for approval to make supplemental appropriations. Budget transfers between departments within any fund must be approved by the County Delegation. Special revenue fund budgets are adopted to the extent that they interact with the general fund. Budgetary information in these financial statements has been presented only for the general fund, as it is neither practical nor meaningful for other funds. The following is a reconciliation between the budget as presented for reporting purposes and the adopted budget.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 2--BUDGETARY ACCOUNTING (CONTINUED)

Total approved budget	\$ 66,553,750
Perspective Difference:	
Nursing Home Fund	(13,751,425)
Registry of Deeds Equipment Replacement Fund	(159,800)
General Fund budget	<u>\$ 52,642,525</u>

State law requires balanced budgets but permits the use of beginning fund balance to reduce the property tax rate. For the year ended June 30, 2002, the County applied \$4,675,000 of its 2001 undesignated fund balance to reduce the tax rate.

Reconciliation of Exhibit C to Exhibit B

General Fund

Revenues and expenditures as shown on the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund (Exhibit C) are reported on the basis budgeted by the County. General Fund budgetary expenditures were adjusted for encumbrances as follows:

Expenditures and Transfers (Exhibit B)	\$ 52,869,765
Encumbrances, June 30, 2001	(5,373,851)
Encumbrances, June 30, 2002	3,616,463
Expenditures and Transfers (Exhibit C)	<u>\$ 51,112,377</u>

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, is employed as an extension of formal budgetary integration in Governmental Funds. Encumbrances outstanding at year end are reported as a component of fund balance since they do not constitute expenditures or liabilities and are detailed by fund type and function as follows:

	General Fund	Special Revenue Fund
General government	\$ 129,521	\$ 137,840
Public safety	183,541	
Health and welfare	3,303,401	
	<u>\$ 3,616,463</u>	<u>\$ 137,840</u>

NOTE 3--RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2002, the County was a member of the New Hampshire Public Risk Management Exchange. The County currently reports all of

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2002

NOTE 3--RISK MANAGEMENT (CONTINUED)

its risk management activities in its General Fund. The Trust is classified as a "Risk Pool" in accordance with accounting principles generally accepted in the United States of America.

The Compensation Fund was organized to provide statutory worker's compensation coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. The Trust is self-sustaining through annual member premiums and provides coverage for the statutorily required workers' compensation benefits and employer's liability coverage up to \$2,000,000. The program includes a Loss Fund from which is paid up to \$300,000 for each and every covered claim.

The Trust agreement permits the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Accounting principles generally accepted in the United States of America require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trust foresees no likelihood of an additional assessment for any of the past years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at June 30, 2002.

The County continues to carry commercial insurance for all other risks of loss, including employee and public official fidelity bonds, health and accident insurance.

NOTE 4--CASH AND INVESTMENTS

The County's investment policy for Governmental and Proprietary Fund Types require that deposits and investments be made in institutions that are participants in federal insurance programs. The County limits its investments to money market accounts, certificates of deposit and repurchase agreements in accordance with New Hampshire state law (RSA 41:29) or the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool. The NHPDIP is not registered with the United States Securities and Exchange Commission as an investment company. NHPDIP was created by state law and is administered by a public body of state, local and banking officials.

At year end, the carrying amount of the County's deposits with financial institutions was \$31,888,142 and the bank balance was \$32,073,125, which was fully insured or collateralized.

The County's deposits are categorized to provide an indication of the level of risk assumed by the County of Hillsborough, New Hampshire. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the County's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the County's name.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 4--CASH AND INVESTMENTS (CONTINUED)

	Carrying Amount
Investment in NHPDIP	\$ 1,433,546
Total Investments	\$ 1,433,546

Investments in the NHPDIP are not considered susceptible to custodial credit risk and therefore are not categorized by risk.

NOTE 5--PENSION PLAN

New Hampshire Retirement System

Plan Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer defined benefit pension plan administered by the NHRS Board of Trustees. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System, 4 Chenell Drive, Concord, New Hampshire 03301.

Funding Policy

Covered public safety and general employees are required to contribute 9.3% or 5.0% of their covered salary, respectively, and the County is required to contribute at an actuarially determined rate. The County's contribution rates were 5.33% and 4.14% of covered payroll for police officers and general employees, respectively for the year ended June 30, 2002. The County contributes 65% of the employer cost for public safety officers employed by the County and the State contributes the remaining 35% of the employer cost. The County contributes 100% of the employer cost for general employees of the County. On-behalf fringe benefits contributed by the State of New Hampshire have not been recognized as a revenue and expenditure of the General Fund as amounts are not material to the financial statements.

Per RSA-100:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The County's contributions to the NHRS for the years ending June 30, 2002, 2001, and 2000 were \$890,216, \$816,888, and \$823,201, respectively, equal to the required contributions for each year.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 6--PROPERTY, PLANT AND EQUIPMENT

The following is a summary of changes in the property, plant and equipment in the Nursing Home Enterprise Fund and the General Fixed Asset Account Group for the year ended June 30, 2002.

Nursing Home Enterprise Fund

	Balance 7/1/2001	Additions	Deletions	Balance 6/30/2002
Land and improvements	\$ 523,809			\$ 523,809
Buildings and improvements	6,766,814	\$ 203,843		6,970,657
Machinery and equipment	2,423,708	362,408		2,786,116
Sewage Treatment	32,900			32,900
	9,747,231	566,251	-	10,313,482
Accumulated depreciation	(7,223,696)	(331,083)		(7,554,779)
	<u>\$ 2,523,535</u>	<u>\$ 235,168</u>	<u>\$ -</u>	<u>\$ 2,758,703</u>

The assets acquired through capital leases are as follows:

Machinery and equipment	\$ 17,337
Less: Accumulated depreciation	(4,696)
	<u>\$ 12,641</u>

General Fixed Asset Account Group

	Balance 7/1/2001	Additions	Deletions	Balance 6/30/2002
Land and improvements	\$ 237,680			\$ 237,680
Buildings and improvements	27,003,825			27,003,825
Machinery and equipment	3,565,814	\$ 219,208		3,785,022
	<u>\$ 30,807,319</u>	<u>\$ 219,208</u>	<u>\$ -</u>	<u>\$ 31,026,527</u>

NOTE 7--LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The following is a summary of debt transactions of the County for the year ended June 30, 2002:

	Balance 7/1/2001	Issued	Retired	Balance 6/30/2002
General Long-Term Debt Account Group:				
General obligation bonds	\$ 1,400,000		\$(1,400,000)	\$ -
Capital lease payable	56,488	\$ 34,637	(21,809)	69,316
Nursing Home Fund:				
Capital lease payable	9,694	6,512	(2,395)	13,811
	<u>\$ 1,466,182</u>	<u>\$ 41,149</u>	<u>\$(1,424,204)</u>	<u>\$ 83,127</u>

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 7--LONG-TERM OBLIGATIONS (CONTINUED)

Capital Lease Obligations

Capital lease obligations represent lease agreements entered into for the financing of equipment acquisitions. These contracts are subject to cancellation should funds not be appropriated to meet payment obligations. Amounts are annually budgeted in the applicable function. Following are capital leases at June 30, 2002:

<u>General Long-Term Debt:</u>	
Equipment, due in monthly installments of \$633 through July, 2003; including interest at 5.43%	\$ 15,988
Equipment, due in monthly installments of \$335 through June, 2004; including interest at 8.927%	7,328
Equipment, due in monthly installments of \$1,300 through March, 2005; including interest at 8.543%	38,107
Equipment, due in monthly installments of \$1,291 through December, 2003; including interest at 8.748%	21,704
	<u>\$ 83,127</u>

Summary of Debt Service Requirements to Maturity

The annual requirements to amortize the debt outstanding as of June 30, 2002, including interest of \$8,117 is as follows:

Year Ending <u>June 30,</u>	Nursing Home		
	Capital <u>Leases</u>	Capital <u>Leases</u>	<u>Total</u>
2003	\$ 35,954	\$ 6,743	\$ 42,697
2004	29,738	5,213	34,951
2005	11,724	1,872	13,596
	<u>\$ 77,416</u>	<u>\$ 13,828</u>	<u>\$ 91,244</u>

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 8--INTERFUND BALANCES

Individual interfund receivable and payable balances at June 30, 2002:

	Interfund <u>Receivables</u>	Interfund <u>Payables</u>
General Fund	\$ 304,698	
Special Revenue Funds:		
Deeds Equipment Replacement Fund	230,429	
Incentive Funds	335,369	
Capital Projects Fund	645,621	
Nursing Home Enterprise Fund		\$ 1,622,872
Expendable Trust Funds:		
Capital Reserve Fund	97,026	
Agency Funds:		
Corrections Department - Canteen Fund	2,094	
Nashua Courthouse - Canteen Fund	1,530	
Sheriff Forfeiture Fund	1,105	
Corrections Commissary Account	5,000	
	<u>\$ 1,622,872</u>	<u>\$ 1,622,872</u>

NOTE 9--CHANGES IN CONTRIBUTED/DONATED CAPITAL

There were no changes in the contributed capital account for the Nursing Home Enterprise Fund during the year ended June 30, 2002. The balance at June 30, 2002 is \$3,247,658.

NOTE 10--NET WORKING CAPITAL

The net working capital for the Nursing Home Fund as of June 30, 2002 is (\$1,302,088).

NOTE 11--LEASE OF HOUSE OF CORRECTION

The County currently leases the former "House of Correction" to the State of New Hampshire, which is using the facility as a women's prison. Rent is payable to the County on a monthly basis. The annual rent due to the County, which is annually adjusted, was \$166,200 for the year ended June 30, 2002.

NOTE 12--COMMITMENTS AND CONTINGENCIES

Litigation

The County Attorney's Office and outside legal counsel estimate that any potential claims against the County, which are not covered by insurance, are immaterial and would not affect the financial position of the County.

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE 12--COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Contingencies

The County participates in the federally assisted Medicaid program at the County Nursing Home. This program is subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. The County received \$11,667,323 during the year ended June 30, 2002 in Medicaid funding through the State of New Hampshire.

The County and the New Hampshire Department of Health and Human Services have entered into an agreement for the purpose of enhancing governmental support of county nursing homes and other services that meet the long-term care and other medical needs of residents of this state who are poor, elderly or disabled. The County received \$3,293,322 during the year ended June 30, 2002. The County shall not expend any of these additional funds until notified by the Department of Health and Human Services that the claim for such funds has received final approval from the Federal Centers for Medicare and Medicaid Services. Pending such approval, the counties shall hold the additional funds in an escrow or reserve account and, upon notice by the Department of Health and Human Services that the claim for the additional funds has been denied, shall promptly return the funds to the Department of Health and Human Services.

Schedule 1
COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
 Combining Balance Sheet - All Special Revenue Funds
 June 30, 2002

	Deeds Equipment Replacement Fund	Incentive Funds	Combining Total
ASSETS			
Due from other funds	\$ 230,429	\$ 335,369	\$ 565,798
Total Assets	<u>\$ 230,429</u>	<u>\$ 335,369</u>	<u>\$ 565,798</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable		\$ 97,170	\$ 97,170
Accrued expenses		<u>67,839</u>	<u>67,839</u>
Total Liabilities	<u>-</u>	<u>165,009</u>	<u>165,009</u>
Fund Balance:			
Reserved for Encumbrances		137,840	137,840
Unreserved:			
Undesignated	\$ 230,429	<u>32,520</u>	<u>262,949</u>
Total Fund Balance	<u>230,429</u>	<u>170,360</u>	<u>400,789</u>
Total Liabilities and Fund Balance	<u>\$ 230,429</u>	<u>\$ 335,369</u>	<u>\$ 565,798</u>

Schedule 2

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

All Special Revenue Funds

For the Year Ended June 30, 2002

	Deeds Equipment Replacement <u>Fund</u>	Incentive <u>Fund</u>	Combining <u>Total</u>
Revenues:			
Intergovernmental revenues		\$ 788,739	\$ 788,739
Charges for services	\$ 239,545		239,545
Total Revenues	<u>239,545</u>	<u>788,739</u>	<u>1,028,284</u>
Expenditures:			
Current:			
General government		774,954	774,954
Capital outlay	159,773	-	159,773
Total Expenditures	<u>159,773</u>	<u>774,954</u>	<u>934,727</u>
Excess of Revenues Over (Under) Expenditures	79,772	13,785	93,557
Fund Balances - January 1	<u>150,657</u>	<u>156,575</u>	<u>307,232</u>
Fund Balances - December 31	<u>\$ 230,429</u>	<u>\$ 170,360</u>	<u>\$ 400,789</u>

Schedule 3
COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE
 Schedule of Revenues
 Budget and Actual (Budgetary Basis) - General Fund
 For the Year Ended June 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
County Taxes	\$ 39,912,619	\$ 39,912,619	\$ -
Intergovernmental Revenues:			
Medicaid pool funds	930,000	1,047,512	117,512
Incentive funds	150,000	122,490	(27,510)
Total Intergovernmental Revenues	1,080,000	1,170,002	90,002
Charges for Services:			
Registry of Deeds	3,250,000	5,234,207	1,984,207
Sheriff's Department	1,315,392	1,330,217	14,825
Department of Corrections	427,014	451,760	24,746
County Attorney	75,000	123,912	48,912
Total Charges for Services	5,067,406	7,140,096	2,072,690
Miscellaneous:			
Interest of investments	850,000	743,421	(106,579)
Rent	250,000	259,252	9,252
Sale of municipal property	750,000		(750,000)
Other	57,500	118,597	61,097
Total Miscellaneous Revenues	1,907,500	1,121,270	(786,230)
Total Revenues	\$ 47,967,525	\$ 49,343,987	\$ 1,376,462

Schedule 4

COUNTY OF HILLSBOROUGH, NEW HAMPSHIRE

Schedule of General Fund Expenditures and Other Financing Uses

Budget and Actual (Budgetary Basis) - General Fund

For the Year Ended June 30, 2002

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Expenditures:			
Current:			
General Government:			
County Convention	\$ 113,525	\$ 98,073	\$ 15,452
County Attorney	2,845,124	2,649,434	195,690
County Commissioners	108,146	107,458	688
Special Projects	56,500	56,500	-
Business Office	402,216	319,844	82,372
Computer Information Systems	398,166	332,382	65,784
Labor Relations	84,354	74,834	9,520
Registry of Deeds	1,287,557	1,245,832	41,725
County Complex	567,595	533,013	34,582
Law Library	58,600	56,151	2,449
Cooperative Extension	483,736	476,722	7,014
Conservation District	46,625	40,326	6,299
Contingency	750,800		750,800
Total General Government	<u>7,202,944</u>	<u>5,990,569</u>	<u>1,212,375</u>
Public Safety:			
Sheriff's Department	3,479,106	3,247,707	231,399
Department of Corrections	10,986,474	10,292,876	693,598
Medical Referee	155,000	154,665	335
Total Public Safety	<u>14,620,580</u>	<u>13,695,248</u>	<u>925,332</u>
Health and Welfare:			
Welfare Assistance	24,600,000	25,520,069	(920,069)
Welfare Administration	615,498	577,989	37,509
Total Health and Welfare	<u>25,215,498</u>	<u>26,098,058</u>	<u>(882,560)</u>
Debt Service:			
Principal retirement	1,400,000	1,400,000	-
Interest on long-term debt	45,500	45,500	-
Interest on tax anticipation notes	275,000	-	275,000
Total Debt Service	<u>1,720,500</u>	<u>1,445,500</u>	<u>275,000</u>
Total Expenditures	<u>48,759,522</u>	<u>47,229,375</u>	<u>1,530,147</u>
Other Financing Uses:			
Operating Transfer to:			
Nursing Home Fund	3,883,003	3,883,003	-
Total Other Financing Uses	<u>3,883,003</u>	<u>3,883,003</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 52,642,525</u>	<u>\$ 51,112,378</u>	<u>\$ 1,530,147</u>

Hillsborough County
Board of Commissioners
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